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CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Ministry Plans Amendment on Brokerage Practice *[KYODO]* 1
IMF Appoints First Japanese Director *[KYODO]* 1
Tokyo To Urge U.S. for DPRK Issue Support *[KYODO]* 1
Bank Official Comments on U.S. Monetary Policy *[KYODO]* 1
Chinese Dissidents Petition Kaifu on Human Rights *[KYODO]* 2
Tokyo Considers Cultural Aid to Mongolia *[KYODO]* 2
Mongolia Seeks Emergency Aid *[KYODO]* 2
Agreement Signed With Hungary for Loan *[KYODO]* 3
Investigators To Promote Missile Export Probe *[KYODO]* 3

North Korea

Daily Views 'Exchange-First Doctrine' *[KCNA]* 3
Daily Discusses 'Grand Reunification March' *[KCNA]* 4
Starting Ceremony Held for Reunification March *[KCNA]* 5
No Tae-u 'Covering Up' U.S. Helicopter Crash *[KCNA]* 5
South, U.S. Hold Military Exercises 5 Aug *[KCNA]* 5
Meetings for Solidarity With Koreans Held Abroad *[KCNA]* 6
Kim Yong-sun Meets Visiting CPC Delegation *[KCNA]* 6
President Receives Reply From Vietnamese Leader *[Pyongyang Radio]* 6
Vietnamese Communist Party Sends Reply to WPK *[Pyongyang Radio]* 7
Cuban Envoy Attends Friendship Gathering *[KCNA]* 7
'Arafat Supports North Reunification Proposals *[KCNA]* 7
Special Envoy of Libya's Al-Qadhdhafi Arrives *[KCNA]* 7
Ugandan Delegation Arrives 6 Aug *[KCNA]* 7
Kim Yong-nam Sends Greeting to Beninese Minister *[KCNA]* 7
Yi Chong-ok Receives Indonesian Ambassador *[Pyongyang Radio]* 8
Government Economic Delegation Returns From Iran *[KCNA]* 8
'Secret Camps' in Mt. Paektu Forest Restored *[KCNA]* 8
20th Anniversary of Kim Il-song Policy Marked *[KCNA]* 8
WPK Publishes Collection of Kim Il-song Works *[KCNA]* 9
Report on Central People's Committee Decrees *[Pyongyang Radio]* 9
Production of 3 Aug Consumption Goods Brisk *[KCNA]* 11
Results of Model Workteam Title Movement Viewed *[KCNA]* 11
Achievements in Power Grid Construction Noted *[KCNA]* 11
Reservoir Construction Continues *[KCNA]* 12
KCNA Review of 7 Aug Pyongyang Press 12

South Korea

No Tae-u To Address UN in Sep, With Proposals *[YONHAP]* 13
Poll Results on Reunification Questions *[YONHAP]* 13
Seoul To Ask for Tax Exempt Trade With North *[THE KOREA TIMES 7 Aug]* 14
Entrepeneurs Express Interest in North Economics *[YONHAP]* 14
Cooperative Banking System Considered With North *[YONHAP]* 15
Gas Turbine Research Plan Signed With USSR *[YONHAP]* 15
Moscow Offers Land To Build Hotel *[YONHAP]* 16
Presidential Advisor Suggests Role for USSR *[THE KOREA TIMES 7 Aug]* 16

Seoul May Broach Consulate Issue With PRC *[YONHAP]* 17
PRC, Red Cross Groups Agree To Cooperate *[THE KOREA TIMES 7 Aug]* 17
Trade Deficit With Japan Reaches $4.5 Billion *[YONHAP]* 17
Brazilian Foreign Minister Arrives 7 Aug *[YONHAP]* 18
'Profligate Consumption' Causes Imports To Surge *[YONHAP]* 18
Recipient States for IBRD Loans Pressed *[THE KOREA TIMES 7 Aug]* 18

SOUTHEAST ASIA

Burma

Military Official on Constitution, Government *[Rangoon Radio]* 19
Delegation Departs for Border Talks in Thailand *[Rangoon TV]* 20

Brunei, Malaysia & Singapore

Malaysia

President Bush Satisfied With Relations *[BERNAMA]* 21
First Palm Oil Shipment to Iraq Set for Sep *[BERNAMA]* 21
Minister Says State Unhindered by Bad Publicity *[Kuala Lumpur International]* 21

Singapore

'Concern' Issued Over Indo-Malay Exercise *[Kuala Lumpur International]* 22
ANC Vice President Arrives for Visit 7 Aug *[Singapore Radio]* 22
Survey Considers Country Credit-Worthy *[THE STRAITS TIMES 6 Aug]* 22
Indonesian Army Chief Receives Award *[Singapore Radio]* 22

Cambodia

Chea Soth Meets SRV Construction Delegation *[Phnom Penh Radio]* 23
Indian Foreign Minister Thanks Hor Namhong *[Phnom Penh Radio]* 23
Agreement Signed With Moharishi Organization *[Phnom Penh Radio]* 23
Ministry Official Says Vehicle Taxes Due 1 Oct *[SPK]* 23
Commentary Warns Against Truce Violation *[Phnom Penh Radio]* 24
VOK Responds to Phnom Penh Criticisms 25

Indonesia

Suharto Receives Singapore Defense Minister *[Jakarta Radio]* 25
Minister: PRC May Become Industrial Competitor *[ANTARA]* 26
PNG Visitors Urged To Report to Authorities *[ANTARA]* 26
Rice Sufficiency Discussed Despite Drought *[ANTARA]* 26

Philippines

Enrile Discusses Marcoses, Bases, Politics *[Manila Radio]* 27
Effects of Base Treaty Rejection on Military *[Manila Radio]* 29
Aquino 'Hopeful' Senate To Ratify Bases Pact *[Manila Radio]* 29
Asks Congress To Pass Resolution *[Manila Radio]* 29
Rejects Agreement for Extension *[Manila Radio]* 30
Senator Asks Court To Nullify Sea Lane Order *[MALAYA 7 Aug]* 30
Abadia Suspends Operations Against Rebels *[Manila Radio]* 30
Mass Surrender Expected With Pinatubo Eruption *[Manila Radio]* 31

Thailand

USTR Accepts AFL-CIO Request *[BANGKOK POST 7 Aug]* 31
Foreign Patent Holders Given More Time *[BANGKOK POST 7 Aug]* 32
Phatthaya To Host SNC Talks 26-28 Aug *[THE NATION 7 Aug]* 32

Asa Greets SRV Counterpart on Anniversary *[Radio VOFA]* 32
SRV Frees Fishermen, Boats Without Ransom *[Bangkok TV]* 33
Data on Detained Fishermen *[BANGKOK POST 7 Aug]* 33
Diplomat Says 5 Fishermen Killed in Bengal Bay *[NAEO NA 7 Aug]* 33
Banks Plan To Open Branches in Vietnam *[BANGKOK POST 6 Aug]* 33
Cabinet Awards Low Tariffs on Goods From Laos *[THE NATION 7 Aug]* 34
Board Endorses Promotion of Foreign Investment *[BANGKOK POST 7 Aug]* 34
'Crucial Areas' of Economic Plan Need Defining *[THE NATION 6 Aug]* 34
Chatchai Crony Given Interior Ministry Post *[THE NATION 7 Aug]* 35

Vietnam

Hanoi Radio Comments on Photograph of MIAs *[Hanoi International]* 36
Deputy Foreign Minister Leaves for Beijing *[VNA]* 37
Soviet Central Committee Plenum Viewed *[Hanoi International]* 37
Radio Dicusses Oil Extraction Potential *[Hanoi International]* 37
Japanese Trading Corporation Opens in Hanoi *[VNA]* 38
Joint Fisheries Venture Founded With Thailand *[VNA]* 38
Vo Van Kiet Reports on Socioeconomic Situation bat[Hanoi Radio] [VNA] 38
Dao Dinh Luyen Attends Economic Meeting *[Hanoi TV]* 40
Radio Reviews Progress of Anticorruption Drive *[Hanoi Radio]* 41
Song Be Holds Meeting To Review Work *[Hanoi Radio]* 42
Nguyen Trong Xuyen Visits Army Hospital *[Hanoi Radio]* 42

AUSTRALASIA

Australia

Threats Made to Bases To Fight U.S. Subsidies *[Melbourne International]* 43

Papua New Guinea

Rebels Refute Claim of External Arms Supply *[Melbourne International]* 43
Protests Made to Australia Over Visas for Rebels *[AFP]* 43

Vanuatu

Lini Replaced as President of Ruling Party *[AFP]* 44

Japan

Ministry Plans Amendment on Brokerage Practice

OW0708004091 Tokyo KYODO in English 2328 GMT 6 Aug 91

[Text] Tokyo, Aug. 7 KYODO—The Ministry of Finance [MOF] is planning to amend the law to make payouts by brokerages to clients to cover losses a criminal offense punishable by up to one year imprisonment, a leading financial daily reported Wednesday.

The ministry wants both brokerage company officials and clients receiving such payments to be liable to prosecution under the Securities and Exchange Law, the NIHON KEIZAI SHIMBUN said.

The MOF will propose that brokerage company officials found guilty of offering guarantees to clients concerning prospective losses and those compensating clients after losses are incurred be liable to up to one year in prison or a fine of up to 1 million yen.

According to the daily, the ministry will also propose that compensation recipients be liable to up to six months in prison or a fine of up to 500,000 yen.

The ministry also intends to punish third parties involved in the compensation of favored clients for investment losses.

The MOF is hurrying to coordinate its proposed revision to the securities law with the Justice Ministry and hopes to see it decided upon at an August 23 cabinet meeting, the newspaper said.

IMF Appoints First Japanese Director

OW0708133591 Tokyo KYODO in English 1308 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Kunio Saito, deputy director of the International Monetary Fund's Asian Department, has been picked as director of a newly created department in the IMF, making him the first Japanese director in the Washington-based international agency, sources familiar with the IMF said Wednesday.

Saito, 51, will direct the First Asian Department, which will be set up on September 1 under the IMF's international reorganization, according to the sources.

The First Asian Department will be in charge of the Southeast Asia and Pacific region. Japan will be covered by the Second Asian Department, another newly created department.

Saito joined the Finance Ministry in 1964, was seconded to the IMF as an economist in 1969 and transferred his registration from the Finance Ministry to the IMF in 1976. He has been deputy director of the IMF's Asian Department since March 1989.

The Finance Ministry, in a briefing paper distributed to reporters, praised Saito's appointment as director in the IMF, calling it "an epoch-making event." The ministry said it hopes more Japanese will be employed and promoted as staff in the IMF.

At present, there are 1,908 staff employees in the IMF, of which only 28 are Japanese, putting Japan in the eighth spot in the number of IMF staff among member countries.

The low portion of Japanese staff working for the IMF contrasts with Japan's capital contribution to the IMF, which is now the fifth largest and is to become the second largest under a capital increase pending approval by all member country governments.

Tokyo To Urge U.S. for DPRK Issue Support

OW0708004191 Tokyo KYODO in English 2347 GMT 6 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Japan will send an official to the United States to urge its support for a resolution calling on North Korea to accept international nuclear inspections, government officials said Wednesday.

Hiroshi Ota, director general for the Foreign Ministry's Scientific and Technological Affairs Section, will leave Tokyo next Tuesday for Washington, the officials said.

Japan is considering proposing at an International Atomic Energy Agency (IAEA) Board of Governors meeting next month a joint resolution calling for Pyongyang's immediate acceptance of an IAEA safeguards agreement which would require international inspection of its nuclear facilities under the Nuclear Nonproliferation Treaty.

Last month, Pyongyang agreed with IAEA on the text of the agreement on nuclear inspection, but has not yet initialed the accord.

Japan will also call on Canada and Australia to back the Japanese-proposed resolution, the officials said.

Bank Official Comments on U.S. Monetary Policy

OW0708042891 Tokyo KYODO in English 0215 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—The U.S. Federal Reserve's [FED] apparent easing of monetary policy is intended to induce a fall in interest rates, a Bank of Japan source said Wednesday.

The source was commenting on reports that the FED conducted open market operations and lowered its federal funds rate target by 25 basis points to 5.5 percent, the same level as the discount rate, on Tuesday.

The rate is the overnight rate at which banks lend money to each other. As a market rate, it can vary from day to day.

There is growing speculation that a reduction by the FED of the discount rate, the rate at which the FED lends money to depository institutions, is imminent.

The source said the FED action will have no effects on Japanese monetary policy.

Overall price trends, including service costs and land prices, and the business outlook will be the key to Japanese monetary policy, he added.

Chinese Dissidents Petition Kaifu on Human Rights

OW0708051891 Tokyo KYODO in English 0412 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Chinese dissidents in Japan said Wednesday they have petitioned Prime Minister Toshiki Kaifu to urge Chinese leaders to show greater concern for human rights when he visits Beijing later this week.

Zhao Nan, leader of the Japan branch of the Federation for Democracy in China, said the group also asked Kaifu, in a letter mailed to the government last week, not to invite Prime Minister Li Peng to Japan because of Li's key role in the Tiananmen military crackdown on pro-democracy demonstrators two years ago.

Kaifu will be the first leader from a Group of Seven (G-7) major industrialized country to visit Beijing following the June 4, 1989 incident.

Shortly after the violence the seven major industrialized countries agreed to freeze high-level diplomatic contacts and economic aid.

They also pledged to offer haven to dissidents who may face persecution if they return to China.

Japan resumed its loan program in the fall of 1990, and several key cabinet ministers, including Foreign Minister Taro Nakayama and Finance Minister Ryutaro Hashimoto, already visited Beijing this year.

Kaifu's visit is being orchestrated so as to signal the return of normal relations.

Zhao said that he and 43 other members of the Japan branch of the Worldwide Prodemocracy Group are waiting for the Justice Ministry to grant them visa extensions.

Only one application has been recognized so far, according to the Federation for Democracy in China.

"We don't welcome Kaifu's visit, but we hope that when he goes he will demonstrate the same sort of concern for the human rights situation in China as that shown by the United States," Zhao said in a telephone interview.

"Otherwise, the Chinese leadership will think that human rights is not an issue."

The U.S. Congress is demanding China demonstrate progress in human rights as a prerequisite for remaining eligible for most- favored-nation trade status.

A report issued by the U.S.-based human rights group Asia Watch, on the second anniversay of the Tiananmen crackdown, said that Chinese prison and labor camps hold more political prisoners now than at any time since the late 1970s.

Tokyo Considers Cultural Aid to Mongolia

OW0708041191 Tokyo KYODO in English 0139 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Japan is considering giving Mongolia 2 million dollars in cultural aid to help the country revive its traditional form of writing, government sources said.

The Mongolian Government stopped using the traditional Mongolian script in 1946 and replaced it with the Russian cyrillic alphabet. The reason given then was that the vertical Mongolian script was incompatible with scientific and technological development and modernization.

In the wave of democratization now sweeping Mongolia, attempts are being made to revive the traditional script and the Mongolian Government is supporting such moves.

The United Nations Eductional, Scientific, and Cultural Organization (UNESCO) also supports the movement and has proposed a plan to revive the Mongolian form of writing by 1994.

Prime Minister Toshiki Kaifu will visit Mongolia on August 13-14 and will inform the Mongolian Government of the Japanese project, the sources said.

If Ulaanbaatar accepts the plan, the Japanese Government will send a survey mission in the current fiscal year with the aim of helping the country develop educational materials, the sources said.

Mongolia Seeks Emergency Aid

OW0708132491 Tokyo KYODO in English 1200 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Mongolia is seeking 100 million dollars worth of emergency assistance, including 50 million dollars from Japan, for fuel and equipment needed to harvest crops before winter sets in in October, Mongolian Ambassador to Japan Daramyn Yondon said Wednesday.

Yondon estimated his nation would need an additional 50 million dollars in emergency aid after harvest to last through the end of the year.

He said he hoped to see a portion of this sum during Prime Minister Toshiki Kaifu's visit to his country August 13-14, the first ever by a Japanese prime minister.

"Assistance to help us overcome the economic crisis facing us is the most important thing we expect from this visit," Yondon said in an interview, speaking through an interpreter.

The Mongolian Government has asked Japan for assistance in building a ground station for satellite communications, improving transportation and electric power facilities.

The Soviet Union once accounted for 80 percent of Mongolia's aid and trade, but in the aftermath of economic and political reforms in the Soviet Union, this has dwindled to a trickle, Yondon said.

Meanwhile, the nation faces a mounting trade deficit, he said.

Turning to security, Yodon said Mongolia, known for having produced such formidable warriors as Ghenghis Khan, has now turned tc political tactics for maintaining peace.

Yondon said the last of Soviet combatant troops formerly stationed there have left, and Mongolia expects to join the Nonaligned Movement perhaps as early as September in order to promote peace through achieving economic stability.

Sandwiched between two giant nations—China and the Soviet Union—the only way to ensure security is through staying on friendly terms with its neighbors, and promoting the peacekeeping role of the United Nations, he said.

Landlocked Mongolia, once the crossroads of Sino-Soviet tensions, has recently increased contacts with China.

Kaifu is expected to discuss Mongolia with Chinese leaders while in Beijing from August 10 to 13.

Agreement Signed With Hungary for Loan

OW0708121091 Tokyo KYODO in English 0837 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 (KYODO)—The Export-Import Bank of Japan signed an agreement Wednesday to extend 150 million dollars in untied loans to the National Bank of Hungary, bank officials said.

The lending is part of a syndicated loan with the World Bank and follows one made last August. The funds will be used to cover Hungary's general imports.

In January of last year, Japan pledged to Hungary 500 million dollar financial aid through the governmental bank

Investigators To Promote Missile Export Probe

OW0708142091 Tokyo KYODO in English 1351 GMT 7 Aug 91

[Text] Tokyo, Aug. 7 KYODO—Japanese investigators will go to the United States, Singapore, and Hong Kong next week to promote a probe into an illegal export of missile parts by an aerospace electronic equipment firm to Iran, police sources said Wednesday.

In the United States, they will exchange information with U.S. officials investigating a Florida-based arms dealer who helped Japan Aviation Electronics Industry Ltd. export the missile parts.

The Japanese investigators will check the flow of the exports in Singapore and Hong Kong, the sources said.

The Japanese company, an affiliate of electronics giant NEC Corp., is accused of exporting those parts to Iran during the 1980- 1988 Iran-Iraq war in violation of the Foreign Exchange and Foreign Trade Control Law.

The company repaired essential parts, known as rollerons, for the U.S.-designed Sidewinder air-to-air missile. The rollerons, which resemble tiny flywheels, are attached to the heat-seeking missile's fins, helping it find its target.

In early July, the company admitted and apologized for the exports, saying it repaired missile parts on behalf of a Hong Kong company between 1987 and 1989.

The Japanese Government in 1967 partially banned weapon exports under a three-point arms embargo policy which prohibited arms exports to communist countries, nations to which the United Nations forbade arms exports, and to those directly involved or likely to become involved in international conflicts.

The weapons export restriction was expanded to a blanket ban in 1976.

Police began investigating Japan Aviation Electronics Industry after receiving information on the illegal sales from U.S. intelligence sources, the police sources said.

North Korea

Daily Views 'Exchange-First Doctrine'

SK0708102391 Pyongyang KCNA in English 0957 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—If the South Korean rulers are truly interested in solving the problem of peace and reunification on the Korean peninsula, they must agree without hesitation to the removal of the political and military confrontation and the adoption of a nonaggression declaration and take practical measures to define the way of reunifying the country, demands NODONG SINMUN today in a signed article.

The article says:

At a meeting of the "advisory council for democracy, peace and unification" some time ago, No Tae-u claimed that in order to bring to maturity "conditions for peaceful unification", the South and the North should jointly hold the "celebrations of the liberation day" and

solve the problems of humanitarian exchange and exchange of broadcasting programmes. But he failed to put forward any measure for ensuring peace.

No Tae-u's "speech" was not for peace and reunification. It was a repetition of the old "exchange-first doctrine" and a "script of exchange" for division.

The entire fellow countrymen demand that peaceful preconditions for reunification be created and the way of national reunification be defined promptly in order to reunify the country in the 1990s. No's call for exchange alone without mentioning those issues was motivated, no doubt, by his intention to put off the reunification indefinitely and perpetuate the division while opposing peace and seeking confrontation.

We consider it necessary to solve the issues of humanitarian visits and exchange, but we can never compromise with the attempt to place on the shelf the more urgent issues—political and military problems and peace.

If the human and material exchanges are to be realised between the North and the South, the dagger in the breast pocket must be thrown away and the fear of threat from the South or from the North be dispelled.

Although the South Korean authorities talk as if distrust could be dispelled only through humanitarian work such as "mutual visits of people of advanced ages" and "exchange," distrust will remain as it is and humanitarian work and exchange will not be continued long on a stable basis as long as there remain the acute tension and the danger of war caused by the political and military confrontation.

Therefore, they must begin removing the political and military confrontation and dispelling the source of mutual distrust, instead of resorting to stopgap measures such as "mutual visits of people of advanced ages" and "exchange" and must promote the humanitarian work and exchange alongside the settlement of those problems.

As far as exchange is concerned, they must attach priority to political cooperation and exchange and combine them with non-political cooperation and exchange, in view of the regulating role of politics.

Daily Discusses 'Grand Reunification March'

SK0708053091 Pyongyang KCNA in English 0501 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—The starting ceremony of the Mt. Paektu-Mt. Halla grand reunification march for the acceleration of national reunification agreed upon between students of the North and the South and overseas will take place atop Mt. Paektu today amid deep expectations and interest of all the fellow countrymen.

A news analyst of NODONG SINMUN today says:

The grand march squad will set out on a long road of reunification, starting from Mt. Paektu, and pass through towns and villages, across mountains and fields of the North and cross Panmunjom to Seoul, the venue of the '91 pan-national rally [PNR] and the grand reunification festival of students in the North, the South and overseas.

In South Korea, too, the National Council of Student Representatives (Chondaehyop) formed a vanguard for reunification through a confederacy and a vanguard for denuclearization, disarmament and peaceful reunification each consisting of 500 members and held their inaugural ceremonies in the teeth of the authorities' fascist crackdown before respectively leaving Mokpo and Chinju for Seoul on August 5.

The two march squads from the North and the South will meet in Seoul on August 13 and participate in the '91 PNR and open the grand reunification festival of students.

The Mt. Paektu-Mt. Halla grand march in which a delegate of Chondaehyop is participating will make a great contribution to demonstrating at home and abroad the will of passionate young people in the North and the South and abroad for national reunification, heightening the atmosphere of national reconciliation, unity and reunification and accelerating the movement for national reunification.

Referring to the South Korean authorities' desperate attempts to block this grand reunification march, the news analyst says:

The South Korean authorities' version of "a grand unification march" which came at a time when the preparations for the '91 PNR and grand reunification festival of students agreed upon by all the fellow countrymen in the North and the South and abroad were going on in full scale is nothing but an intrigue to frustrate the reunification festivals.

Although they proposed to hold the "grand unification march" as a "civilian function," they, in actuality, are cracking down on civic organizations of South Korea including the Coalition for National Democratic Movement (Chonminnyon) and Chondaehyop which have made strenuous efforts for civilian dialogue up until now, arresting and trying all those involved in them.

The No Tae-u ruling group must look straight at the trend of the times and immediately stop trying to block the reunification festivals, promptly release those arrested for involvement in the '91 PNR and grand reunification festival of students and provide all conditions for the reunification festivals.

Starting Ceremony Held for Reunification March

SK0708052391 Pyongyang KCNA in English
0452 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—A starting ceremony of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification was held this morning atop Mt. Paektu.

The march is a great prelude to the pan-national rally and the grand reunification festival of students to be opened in Seoul on the occasion of the 46th anniversary of August 15 liberation.

Participating in the starting ceremony were Vice-Chairmen of the Committee for the Peaceful Reunification of the Fatherland Yun Ki-pok, chairman, and Chon Kum-chol, vice-chairman of the North side's headquarters of the Pan-Korean Alliance for National Reunification (Pomminnyon), Yo Yon-ku, presidium member of the Central Committee [C.C.] of the Democratic Front for the Reunifiction of the Fatherland, Choe Yong-hae, chairman of the C.C., the League of Socialist Working Youth of Korea, and delegates of the North side which will participate in the '91 pan-national rally and the August 15 grand reunification festival of students in the North, the South and overseas, Pak Song-hui, delegate of the National Council of Student Representatives (Chondaehyop) of South Korea, and delegates of youth and students from abroad.

Yun Ki-pok read a declaration announcing the formation of the Mt. Paektu-Mt. Halla grand march team for the promotion of national reunification.

The flag of the march team was awarded to the team.

Speaking at the ceremony, delegates at home and abroad said that the Mt. Paektu-Mt. Halla grand reunification march is a responsible and proud march and a patriotic action to accelerate reunification, the cherished desire of the nation. All the members of the team, deeply aware of the heavy responsibility before the nation, will vigorously march for Seoul, the venue of the '91 pan-national rally and the grand reunification festival of students by displaying indomitable fighting spirit, they added.

The participants descended Mt. Paektu, flying the flag of the Mt. Paektu-Mt. Halla grand march for the promotion of national reunification, the flag of the August 15 grand reunification festival of students in the North, the South and overseas and flags of universities and colleges and chanting slogans "national reunification!" and "Korea is one!"

The march has become more significant as Pak Song-hui, delegate of Chondaehyop of South Korea, is walking together with marchers the road which Yim Su-kyong as delegate of Chondaehyop covered after participating in the 13th World Festival of Youth and Students in the grand international peace march from the top of Mt. Paektu to Panmunjom over July 21-27 two years ago.

The marchers will continue their march to the South through Hyesan, Yanggang Province, Hamhung, South Hamgyong Province, the capital city of Pyongyang and Kaesong, a city adjacent to the demarcation line, and Panmunjom.

No Tae-u 'Covering Up' U.S. Helicopter Crash

SK0708103491 Pyongyang KCNA in English
1012 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—A helicopter of the U.S. imperialist aggression forces crashed into private houses in Sonyu-ri, Munsan-up, Paju County, Kyonggi Province during a military exercise on August 4, according to a radio report from Seoul.

The helicopter belonging to 2nd Infantry Division of the U.S. imperialist aggression forces was caught in an electric wire while flying low with a military truck hanging from it and hit a village, destroying or burning six dwelling houses.

The incident, which happened at 1 o'clock at night, must have caused a heavy loss in lives. However, the No Tae-u ruling group is covering up the crime of its master the U.S. imperialists.

South, U.S. Hold Military Exercises 5 Aug

SK0708051491 Pyongyang KCNA in English
0447 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—The U.S. Pacific Airforce Command staged provocative joint military exercises Monday to cope with "contingencies" in the sky above South Korea, according to military sources.

Mobilized in the exercises in the air above Oeyondo, Chungju and Pochon aiming at increasing the actual war capacity for a surprise attack on targets of the strategic depth of the northern half of Korea were Pacific-based nuclear-capable F-15 and F-16 fighter bombers, transport planes, formations of refuelling tankers and more than 200 fighter bombers and assault planes of the U.S. Airforce present in South Korea and the puppet airforce.

Meanwhile, the South Korean puppets committed successive hostile acts getting on our nerve during the war exercises, armed bandits firing 12.7 mm large-calibre machine guns near the military demarcation line [MDL] and armed helicopters flying low.

Some 30 helicopters participated in the aerial war exercises in the sky above the MDL from around 8 to 22 [as received] on August 5 and 630 military planes in the air above South Korea on the same day.

Meetings for Solidarity With Koreans Held Abroad

SK0608152691 Pyongyang KCNA in English 1500 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—Meetings for solidarity with the Korean people were held in different countries on the occasion of the month of anti-U.S. joint struggle.

A joint solidarity meeting was held in Corriverton, a border city of Guyana, under the sponsorship of the Guyana committee for support of Korea's reunification and the Surinam committee for friendship and solidarity with the Korean people.

A joint statement adopted at the meeting said the United States is keeping a large number of nuclear arms in South Korea at all times and intensifying nuclear war games there with the aim of establishing domination over the whole of Korea and the rest of Asia and threatening, blackmailing and containing with nuclear weapons any country in this region in case things that go against the grain with it occur.

If a nuclear inspection is to be made, it must not be made in the DPRK alone which has no nuclear arms, but the U.S. nuclear bases in South Korea should be opened to the public and a simultaneous international inspection be made of them, the statement stressed.

Speaking at a meeting held in Katmandu, P.C. Sharma, secretary general of the National Assembly of Nepal, charged that the U.S. imperialists who had unleashed the Korean war have deployed more than 40,000 troops and 1,000 odd pieces of nuclear weapons in South Korea and are annually staging provocative "Team Spirit" joint military exercises blocking Korea's reunification.

Tulsi Lal Amatya, general secretary of the Nepal Communist Party (Amatya), stressed in his speech that Korea must be reunified by means of a confederacy put forward by President Kim Il-song. He evinced the determination to more broadly conduct the movement for solidarity with the Korean people.

A resolution adopted at the meeting contended that Korea should be reunified in an independent and peaceful way, free from outside interference, and all foreign troops and nuclear arms be withdrawn unconditionally from South Korea.

Kim Yong-sun Meets Visiting CPC Delegation

SK0708051691 Pyongyang KCNA in English 0440 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, Tuesday met and had a friendly talk with the cadres' delegation of the Communist Party of China headed by An Pingsheng, member of the Central Advisory Commission of the CPC.

Stating that he learned well of the great significance attached by the Central Committee of the Workers' Party of Korea headed by Comrade President Kim Il-song to the ideological education of working people, the head of the delegation said that ideological education is very important under the present circumstances in which the imperialists are persistently resorting to the strategy of "peaceful transition".

Korean comrades are carrying on the work of ideological education very successfully, he said, adding.

The grand nature-remaking edifices built in Pyongyang and local areas show the tremendous economic might of Korea and prove the validity of the policy of the Workers' Party of Korea which has maintained the preferential development of the heavy industry.

He expressed the conviction that the Korean people will achieve greater success in the efforts for socialist construction under the leadership of Comrade President Kim Il-song and Comrade Secretary Kim Chong-il.

President Receives Reply From Vietnamese Leader

SK0708054891 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 1 Aug 91

[Text] The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers Party of Korea [WPK], received a reply from Comrade Do Muoi, general secretary of the Central Committee of the Vietnamese Communist Party, on the former's congratulatory message to the latter on his election as general secretary of the party.

The message reads:

Pyongyang

To Comrade Kim Il-song, general secretary of the W"K Central Committee:

I express heartfelt thanks to you for sending me your outstanding congratulatory message on my election as general secretary at the seventh session of the Vietnamese Communist Party.

I wish the relations of friendship and cooperation between our two parties and between the people of the two countries to grow more consolidated and developed daily.

Do Muoi, general secretary of the Central Committee of the Vietnamese Communist Party.

20 July 1991, Hanoi.

Vietnamese Communist Party Sends Reply to WPK

SK0708054691 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 1 Aug 91

[Text] The Central Committee of the Workers Party of Korea [WPK] received a reply from the Central Committee of the Vietnamese Communist Party on the former's congratulatory message to the latter on its seventh session.

The reply reads:

Pyongyang

To the WPK Central Committee:

We express our heartfelt thanks to you for sending us the congratulatory message on the seventh session of the Vietnamese Communist Party.

Availing ourselves of this opportunity, we wish the relations of friendship and cooperation between our two parties and between the people of the two countries to grow more consolidated and developed daily.

The Central Committee of the Vietnamese Communist Party.

20 July 1991, Hanoi.

Cuban Envoy Attends Friendship Gathering

SK0708044791 Pyongyang KCNA in English 0434 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—A friendship gathering took place at the Pyongyang textile combine on August 6 on the month of solidarity with the Cuban people.

Invited to the gathering were Cuban Ambassador to Korea Juan Jose Leon Vega and embassy officials.

Kim Chin-pom, vice-chairman of the Korean Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Cuba Solidarity Committee, and other personages concerned were present there together with employees of the combine.

The participants conversed with each other in a friendly atmosphere.

Before the gathering, officials of the Cuban Embassy went round the Che Guevara general dyeing shop of the combine.

'Arafat Supports North Reunification Proposals

SK0608121291 Pyongyang KCNA in English 1018 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—Yasir 'Arafat, president of the State of Palestine, when he met the DPRK ambassador to Palestine who paid a farewell call on him on August 1, referred to the efforts of the great leader Comrade President Kim Il-song and the dear leader Comrade Kim Chong-il for the victory of socialism, national reunification and world peace under the difficult international situation. He warmly supported the proposal to make the Korean Peninsula a nuclear-free, peace zone and all the proposals for national reunification.

He bitterly denounced the United States for keeping nuclear military bases in South Korea and intensifying provocative moves against the Democratic People's Republic of Korea.

Special Envoy of Libya's Al-Qadhdhafi Arrives

SK0608154691 Pyongyang KCNA in English 1524 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—Muhammad al-Mangush [spelling as received], secretary of the People's Committee for Construction of the Great Artificial River, who is special envoy of Mu'ammar al-Qadhdhafi, leader of the great September First revolution of the great Socialist People's Libyan Arab Jamahiriya, arrived here today.

He was met at the airport by Chong Song-nam, minister of external economic affairs, and 'Abd-al-Hadi Mustafa, acting secretary of the People's Committee of the People's Bureau of Libya in Korea.

Ugandan Delegation Arrives 6 Aug

SK0708055291 Pyongyang KCNA in English 0450 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—A delegation of the National Resistance Movement of Uganda headed by Comrade Eriya Kategaya, national political commissar of the movement and first deputy prime minister of the Republic of Uganda, arrived in Pyongyang on August 6 to pay a visit to our country at the invitation of the Central Committee [C.C.] of the Workers' Party of Korea [WPK].

It was met at the airport by member of the Political Bureau and Secretary of the WPK Central Committee Kye Ung-tae, vice-director of a department of the C.C., the WPK Kwon Min-chun and other officials concerned.

Kim Yong-nam Sends Greeting to Beninese Minister

SK0608155791 Pyongyang KCNA in English 1523 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—Foreign Minister Kim Yong-Nam sent a message of greetings to Theodore Holo upon his appointment as minister of foreign affairs and cooperation of Benin.

In the message Kim Yong-nam exprssed the belief that the excellent relations of friendship and cooperation between the two countries would further strengthen and develop in the interests of their peoples.

Yi Chong-ok Receives Indonesian Ambassador

SK0608063191 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 30 Jul 91

[Text] Today at the Mansudae Assembly Hall, Vice President Yi Chong-ok met and talked with R. Muhamed Muharam Sumadipraja, the Republic of Indonesia's ambassador to our country, who paid a courtesy call. Deputy Foreign Minister Cha Pong-chu was present on this occasion.

Government Economic Delegation Returns From Iran

SK0608153691 Pyongyang KCNA in English 1526 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—A DPRK Government economic delegation headed by Kim Tal-hyon, vice-premier and chairman of the External Economy Commission, returned home today after visiting Iran.

The delegation was met at the airport by Chong Song-nam, minister of external economic affairs, Han Su-kil, vice-minister of foreign trade, and Hamid Malek Abadi, charge d'affaires ad interim of the Iranian Embassy here.

'Secret Camps' in Mt. Paektu Forest Restored

SK0608110891 Pyongyang KCNA in English 1006 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—The secret camps in Soyonji hill, Mt. Kom, Mt. Sono, Mudu hill, Taegak hill and Ssangdu hill discovered in thick forests around Mt. Paektu which belong to the period of the anti-Japanese armed struggle have been restored to their original state.

They are part of the secret camp network of the Mt. Paektu revolutionary base built under the wise guidance of the great leader President Kim Il-song. These glorious revolutionary old battle sites played a great role in bringing about a sweeping upswing in the Korean Revolution as a whole with the anti-Japanese armed struggle at the centre and extending the armed struggle into the homeland.

The newly restored secret camps constitute a grand open-air revolution museum which will hand down to the posterity the greatness and immortal revolutionary exploits of President Kim Il- song and a seat of learning which powerfully leads the whole party, the whole country and the entire people to the efforts for the accomplishment of the revolutionary cause of chuche.

The members of the team for discovering revolutionary relics and remains, the builders of revolutionary battle sites and their helpers discovered these relics and remains in primitive forests, rehabilitated the secret camps and built roads, places of education, etc. for visitors in a short span of time.

All the secret camps of the Mt. Paektu revolutionary base belonging to the anti-Japanese armed struggle have been opened to visitors with the new six secret camps rehabilitated following those in Saja hill, Mt. Kanback and on the Amnok River after the opening of the Mt. Paektu secret camp in February 1987.

The opening ceremony of the six new secret camps was held at the secret camp in Soyonji hill Monday.

20th Anniversary of Kim Il-song Policy Marked

SK0608212991 Pyongyang KCNA in English 1508 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—A Pyonyang meeting marking the 20th anniversary of the publication of the great leader President Kim Il-song's policy of wide-range negotiation between the North and the South was held today at the people's palace of culture.

At a time when it was urgently required to actively pave the way of national reunification with concerted efforts of the nation, President Kim Il-song in "The Revolutionary Peoples of Asia Will Win in Their Common Struggle Against U.S. Imperialism," his speech at the Pyongyang mass meeting welcoming Samdech Norodom Sihanouk on August 6, 1971, laid down the policy of holding a wide-range negotiation with all political parties, organisations and personages of South Korea including the ruling party.

Pak Song-chol, member of the Political Bureau of the C.C., the Workers' Party of Korea [WPK] and vice-president, and officials concerned were present at the meeting today.

Yun Ki-pok, secretary of the C.C., the WPK and vice-chairman of the Committee for the Peaceful Reunification of the Fatherland, made a report.

The great leader Comrade Kim Il-song's policy of wide-range negotiation represents his noble patriotic stand to open a new phase of reunification by mobilizing the entire nation and his great tolerance to give chances of rebirth even to those who had committed crimes against the nation.

Our party and the DPRK Government have made all sincere efforts to lead the inter-Korean dialogues to a success and promote the independent and peaceful reunification of the country.

The past two decades since the historic August 6 speech of the great leader have been rigorous days which have witnessed who wants peace and reunification and who seeks war and division, who wants dialogue and who seeks confrontation in Korea.

The great leader Comrade Kim Il-song said:

"We must not allow the division of our country to drag on beyond half a century, but accomplish the historic cause of national reunification within the next several years."

The Koreans at home and abroad are vigorously waging a grand nationwide march for reunification to decorate 1995 as the year of reunification and courageously fighting to successfully hold the forthcoming August 15 Seoul pan-national rally and the grand reunification festival of students.

The urgent question which must be solved first of all in the struggle for national reunification today is to remove the political and military confrontation between the North and the South, he said, and stressed:

We strongly demand that the anti-communist "state polics" and "national security law," the source of antagonism and distrust within the nation, be abolished, the fascist "security-oriented rule" be terminated as early as possible and all the unwarrantably arrested visitors to the North including the Rev. Mun Ik-hwan and woman student Yim Su-kyong and those related to the Pan-Korean Alliance for National Reunification (Pomminnyon), patriotic students and pro-reunification democratic figures be unconditionally and immediately released in South Korea.

We also strongly demand that the South Korean authorities no longer avoid adopting a North-South nonaggression declaration but take steps to realize disarmament and discontinue the aggressive "Team Spirit" joint military exercises that aggravate military confrontation.

He said the United States has no ground to stay in South Korea any longer and it should sign a peace agreement with the DPRK and withdraw its troops and nuclear weapons from South Korea at an early date.

Yun Ki-pok stressed that what is important in accelerating national reunification at present is to define the method of national reunification.

The South ckorean authorities should prove what they have talked is not a lie by coming oot to the negotiating table for a nationwide political consultative conference, instead of only paying lip-service to dialogue and reunification, he said, adding:

We believe that the proposal for founding a Democratic Confederal Republic of Koryo, a proposal already well known to the world, is the most reasonable way of reunification suited to the specific conditions of our country. But, we are ready to discuss also the "proposal" of the South Korean authorities and proposals of other political parties and organizations at the political consultative conference for national reunification.

We hold that the South Korean authorities, instead of trying to block the pan-national rally and grand reunification festival of students with a proposition for "grand reunification march," a decepture political farce, should provide all conditions and conveniences for a successful holding of the reunification festivities of the nation, not regard Pomminnyon and the National Council of Student Representatives (Chondaehyop) as heretical and not take a hostile attitude toward them but unconditionally ensure their free activities and adopt a bold decision to join in the great festivals of the nation, stressed Yun Ki-pok.

WPK Publishes Collection of Kim Il-song Works

SK0608115191 Pyongyang KCNA in English 1016 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—The Workers' Party of Korea [WPK] publishing house brought out "On the Chuche Idea" (2), a collection of the great leader President Kim Il-song's works.

It carries full text of or excerpts from 20 important works containing the content of the chuche idea from among immortal classical works published by President Kim Il-song from September 1977 to May 1990.

Expounded in the works are how the immortal chuche idea, the guiding idea of the Workers' Party of Korea, was founded and how it has been all-roundly developed in depth.

Report on Central People's Committee Decrees

SK0708080991

[Editorial Report] Following is a compilation of DPRK Central People's Committee [CPC] decrees read on Pyongyang Korean Central Broadcasting Network in Korean.

CPC decree dated 17 July and signed by DPRK President Kim Il-song: "Title of DPRK People's Artist" and "Order of National Flag First Class" were conferred on Comrade Pak Chin-su, dean of a faculty of Pyongyang University of Fine Arts, for achievements in the "revolutionary" education of party members and working people by creating "many works of fine arts of high ideological and artistic nature." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 28 Jul 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Scientist" and "Order of Labor" were conferred on Comrade Kim Kil-son, dean of a faculty of Kim Chaek Engineering University for his "positive contribution to the scientific development of the country" through education, achievements in scientific research, and the introduction of advanced science and technology. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 28 Jul 91]

CPC decree dated 17 July and signed by DPRK President Kim Il-song: "Title of DPRK People's Teacher" and " Order of National Flag First Class" were conferred on Comrade An Ok-po, schoolmaster of Pyongyang Nungna People's School, for his "great contribution in nurturing the growing new generations into chuche-type revolutionaries." [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 29 Jul 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Artist" and "Order of Labor" were conferred on the following people for their "great contribution to the development of fine arts in the country": Kim Chae-kyong, dean of a faculty of Pyongyang University of Fine Arts; Pak Nae-chon, director of a department of Pyongyang University of Fine Arts; Kim Sam-kon, professor of Pyongyang University of Fine Arts; Hong Ki-yong, artist of Pyongyang Songyo Ceramic Plant; An Chang-ko, chief of a section of North Pyongan Province Fine Arts Company; Cho Pok-chul, artist of Yanggang Province Fine Arts Company; Song Chan-hyong, artist of Nampo Municipal Fine Arts Company; Yi Myong-hwa, artist of the Railways Ministry Fine Arts Company; and Chang Sok-min, artist of the Western District Railways General Bureau Fine Arts Company. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 29 Jul 91]

CPC decree dated 17 July and signed by DPRK President Kim Il-song: "Title of DPRK Exemplary County and District of Local Budgetary System" was conferred on Pyongyang Mangyongdae District and on Samjiyon County, Yanggang Province, for "setting examples in improving the people's standard of living by developing local industries and foreign trade and by improving service to the people." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 30 Jul 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Technician" and "Order of Labor" were conferred on Comrade Chang Tuk-yu, "chief technician at the Songchon Chicken Farm," for positively contributing to the improvement of the people's standard of living by every year overfulfilling egg production targets. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 30 Jul 91]

Undated and unsigned CPC decree: "Kim Il-song Youth Honor Prize" was awarded to the following members of the League of the Socialist Working Youth of Korea [LSWYK] for winning high marks at the Pyongyang Second International Youth Invention and New Technology Contest: Yun Pok-sil, worker at the Korea Computer Center; Yi Tong-ho, teacher at East Pyongyang No. 1 Senior High School; Choe Chang-su, teacher at Haeju Electronic Automation College; Yi Chol, draftsman at the Electronics and Automation Engineering Research Institute. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 31 Jul 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Doctor" and "Order of Labor" were conferred on Comrade Kwon Hyong-ok, doctor at the Korean Medicine Department of Pyongyang Medical University, for his "great contribution" to health work. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 31 Jul 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Bookkeeper" and "Order of Labor" were conferred on Comrade Han Yong-yon, a section chief of the Mangyongdae Branch of the Central Bank, for his "positive contribution in stepping up socialist construction" through improvement of the "funding system" (chagum chodal). [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 31 Jul 91]

CPC decree signed by "DPRK CPC" and dated 24 July: "Kim Il-song Prize" was awarded to Comrade Chae Hui-kuk, director of a department of the Faculty of History of Kim Il-song University, for his "great contribution to the study of the long history of our country." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Aug 1991]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Scientist" and "Order of Labor" were awarded to Comrade Kim Hyo-song, director of the Construction Economy and Standard Research Institute of the State Construction Committee, for greatly contributing to socialist construction through the study and introduction of advanced science and technology needed in the construction sector. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Aug 1991]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Doctor" and "Order of Labor" were conferred on Comrade Chang Kyong-hwan, deputy director for technical affairs of the South Hamgyong Province Dental Disease Prevention Center, for his "great contribution" to health work. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Aug 1991]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Collier" and " Order of Labor" were conferred on the following "functionaries" of the coal industrial sector for stepping up socialist construction through long service in the coal industrial sector: Kang Hyong-sam, head of the Taptong Pit, Hungnyong Coal Mine; Kim Chong-su, head of the Electric Car Pit, Sudong Coal Mine; and An Chin-chol, head of the Youth Pit, Muchon Coal Mine. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 3 Aug 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Geological Surveyor" and "Order of Labor" were conferred on the following "functionaries" who have "greatly contributed" to the development of the national economy through long service as geological surveyors: Choe Pyong-nim, director of a department of the Central Mining Research Group; Chon Chin-kwon, head of the Taegwan Geological Survey Unit; and An Tu-hwan, surveyor of the Mantopsan Geological Survey Group. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 3 Aug 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Vehicle Driver" and "Order of Labor" were conferred on Kim Sung-kol, driver of the Pyongyang No. 1 Long Distance Vehicle Transport Unit and "Title of DPRK Meritorious Artist" and "Order of Labor" were conferred on Choe Nam-taek, sculptor at the "Mansudae

Creation Company" respectively for overfulfilling transport quotas every year and for creating "many sculptural works of high ideological and artistic nature." [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 3 Aug 91]

Production of 3 Aug Consumption Goods Brisk

SK0308112391 Pyongyang KCNA in English 1018 GMT 3 Aug 91

[Text] Pyongyang August 3 (KCNA)—The production of "August 3 mass consumption goods" is going on briskly as a mass movement in Korea.

This movement began after the dear leader Comrade Kim Chong-il gave instructions to actively explore and tap inner reserves and produce quantities of consumer goods on August 3, 1984.

In the past seven years the number of August 3 mass consumption goods producers has increased to hundreds of thousands and that of expanded varieties of consumer goods reached more than 10,000.

In Pyongyang the output value of August 3 consumption goods stood 10.4 times the 1984 figure and their varieties increased 2.5 times over the last five years.

Hundreds of production bases including cotton, paper and vinyl goods producers have been built in the last one year alone.

In Kangwon Province its output value is more than 3 times the 1985 figure and the expanded varieties of consumer goods increased over 6 times.

In this course, Pyongchon, Songyo, Mangyongdae and Taedonggang Districts in Pyongyang, Kangso District in Nampo, Songchongang and Sapo Districts in Hamhung and Pohang District in Chongjin and Kaechon City won the title of August 3 mass consumption goods production model district (city).

Results of Model Workteam Title Movement Viewed

SK0208153991 Pyongyang KCNA in English 1514 GMT 2 Aug 91

[Text] Pyongyang August 2 (KCNA)—The model workteam title movement for increased production and economy is yielding splendid result in the Democratic People's Republic of Korea.

The Central Committee of the Workers' Party of Korea put forward a slogan calling for making the already laid economic foundations pay off through increased production and economy with a view to stepping up the socialist economic construction at a faster speed in the 1990s.

Under this slogan a model workteam title movement for increased production and economy has been started at the industrial establishments across the country under the auspices of the Central Committee of the General Federation of Trade Unions of Korea.

The model workteam title for increased production and economy is awarded to those workteams which have lowered the norm of consuming materials, overfulfilled production plan and hit saving targets, renovated technique and constantly created new norms and new records.

Some 400 units have won the model workteam title since the movement started in April last year.

A number of workteams have taken part in this movement.

Over 11,000 workteams of industrial establishments have participated in the movement in Pyongyang.

In this course production and saving plans are overfulfilled and technique is renovated across the country.

The Nyongsong general machine bureau, land transport general bureau and other sectors of the national economy have fulfilled their June plans and first half of the year plans and the South Hwanghae provincial fishery management bureau and other units carried out the yearly plans ahead of schedule in the first half of the year.

New techniques were invented and introduced into production in a few months. Therefore, over 564 million kwh of electricity, some 209,000 tons of iron and steel, 779,000 tons of coal and a large amount of raw material, fuel, materials were saved throughout the country.

Achievements in Power Grid Construction Noted

SK0608233491 Pyongyang KCNA in English 1505 GMT 6 Aug 91

[Text] Pyongyang August 6 (KCNA)—Thirty-five years have passed since the laying of the first transmission line in Korea by her own efforts, technique and materials.

In this period 14,300 high-tension poles of various types including more than 9,000 pylons have been built and 5,600 odd kilometres of high-tension transmission lines laid in some 170 sections.

It is not until the 1970s that the power supply system was further improved to perfection through a dynamic construction of the power grid in our country.

In the period when the country was seething with grand construction 1,200 kilometres of new transmission lines were laid and the transmission lines laid in the 1980s were 1.9 times in the number of the sections and 1.3 times in length as compared with the 70s.

As a result, power supply networks have been more densely ramified to render a greater contribution to accomplishing the historic cause of making the national economy chuche-oriented, modern and scientific.

Reservoir Construction Continues

SK0708105991 Pyongyang KCNA in English 1018 GMT 7 Aug 91

[Text] Pyongyang August 7 (KCNA)—Korea continues putting big efforts in the construction of reservoirs to consolidate the already-made success in irrigation.

15 reservoirs including Sorim reservoir, Taechon power station No. 5-Unjon, Chongju, Kwoksan waterway and many other irrigation setups have been built in North Pyongan Province in recent years.

Sorim reservoir sufficiently waters hundreds of hectares of farm land in Yomju County.

The irrigation system of Korea has beca considerably developed.

Some 1,700 reservoirs, 25,800 water pumping stations and a total length of 40,000 kilometres of irrigation channels now serve agriculture.

KCNA Review of 7 Aug Pyongyang Press

SK0708060591 Pyongyang KCNA in English 0510 GMT 7 Aug 91

[Press review]

[Text] Pyongyang August 7 (KCNA)—NODONG SINMUN today carries news that "Let Us Achieve the Great Unity of Our Nation," a work of the great leader President Kim Il-song, was reported in different countries, and reaction of people of all walks of life at home to the work.

It is re, orted in the press that President Kim Il-song of the Democratic People's Republic of Korea received reply messages from foreign state leaders.

Given in the press are an account of a Pyongyang meeting held to mark the 20th anniversary of the publication of President Kim Il-song's policy of wide-range negotiation between the North and the South and a report made by Yun Ki-pok, secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and vice-chairman of the Committee for the Peaceful Reunification of the Fatherland, at the meeting.

MINJU CHOSON editorially calls for achieving the independent and peaceful reunification of the country through the great unity of the nation.

Conveyed in NODONG SINMUN are words of South Korean people expressing ardent reverence for President Kim Il-song.

A work of the dear leader Comrade Kim Chong-il was deeply studied and widely reported in different countries, says the press.

A NODONG SINMUN article says that Comrade Kim Chong-il led officials to work with national pride.

Printed in the paper are a message of greetings sent by the C.C., the Workers' Party of Korea to Eric Trevett, general secretary of the C.C., the New Communist Party of Great Britain, on his 60th birthday, and a solidarity message to the C.C., the WPK and the DPRK Government sent in joint name by Chairman Vassos Lyssarides and Secretary General Takis Hadjidemetriou of the C.C., the Socialist Party of Cyprus in support of the joint statement of the political parties and public organizations of the DPRK.

The paper comes out with an article titled "Basic to Education in Chuche Idea Is Education of Principle".

Econews of the press includes a report that the damming project of the Namgang power station was completed.

Conspicuous in the press is news that coed Pak Song-hui, delegate of the National Council of Student Representatives (Chondaehyop) of South Korea, went round various places in Pyongyang.

Kim Hui-won, former chairman of the South Korean Kangwon Provincial District Committee of the "Reunification Democratic Party" and central permanent member of the "Democratic Liberal Party" who settled down in the northern half of the country, visited Mt. Kumgang and went round various places of Kangwon Province, according to NODONG SINMUN.

The daily conveys news that the Soviet Ukrainian pupils visiting group made a march to trace the course of the "1,000-ri journey for national liberation" and that the international children's camping closed.

South Korean news columns of the press include reports that the reunification vanguards of Chondaehyop are continuing their march, Chondaehyop demanded that the authorities guarantee the personal safety of the delegate of the overseas headquarters of the Pan-Korean Alliance for National Reunification to the pan-national rally, and a newspaper carried an editorial demanding the U.S. troop pullout.

NODONG SINMUN informs the readers that South Korean people fully supported the proposal for reunification through a confederacy and the proposal for the convocation of a political consultative conference for national reunification.

The paper hits out at the South Korean authorities for attempting to block the grand reunification march of students in the North, the South and overseas.

An article of the paper dismisses the South Korean authorities' "exchange-first doctrine" whose content is "to actively promote the exchange of materials and tourists between the North and the South" as a doctrine against peace and for permanent division.

Echoed in the press are reports that starting ceremonies of the "international solidarity march for supporting Korea's reunification" were held in Sri Lanka and Syria

and foreign countries expressed solidarity for the Korean people's cause of national reunification.

The press reports that a recent issue of the Chinese paper international business carried an article praising the Sino-Korean cooperation in the hydraulic power field and an international training course of taekwon-do instructors opened in Moscow.

It is reported in the press that the chairman of the Soviet Council of Ministers affirmed the maintenance of the USSR-Cuba relations of friendship and cooperation, the former Tanzanian president stressed that the policy of socialism and self-reliance is the only policy to be maintained and the president of Panama rejected rumours about negotiations for an extension of the period of the U.S. military presence.

In an article NODONG SINMUN demands that the United States faithfully implement its unavoidable duty in eliminating nuclear weapons and removing the nuclear threat from the Korean peninsula.

South Korea

No Tae-u To Address UN in Sep, With Proposals

SK0708095291 Seoul YONHAP in English 0953 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (OANA-YONHAP)—South Korean President No Tae-u will declare in a speech to the United Nations this fall that his government is willing to negotiate replacement of the Korean armistice agreement with a peace formula when the necessary conditions are met to guarantee peace on the Korean peninsula, officials said Wednesday.

Vice Premier and Unification Minister Choe Ho-chung and other ministers related to unification issues discussed details of this position, the officials said.

Opinion has been growing that South and North Korea, which ended a three-year war after China, North Korea and the United States signed the armistice agreement, should seriously consider replacing the armistice pact with other device after the two sides join the United Nations in September.

The U.N. General Assembly is expected to accept South and North Korea as full members when it convenes Sept. 17 in New York. No will deliver a key-note speech.

The officials said the government would draw up a comprehensive and systematic "reunification plan" by the end of October through close consultation within the cabinet and establish this month a committee for inter-Korean exchanges of both radio and television broadcasts.

The government is to propose cessation of propaganda through public broadcasts and installation of the necessary facilities to receive each other's television programs, the officials said.

Other proposals will include a joint cultural committee of approximately 100 members from South and North Korea to promote exchanges.

To commemorate the 20th anniversary of the South-North Korean Red Cross talks on Aug. 12, the government will also urge Pyongyang to agree to reunions for families separated during the Korean war and to cross-border visits by those 70 or over for the harvest moon holidays in September.

Poll Results on Reunification Questions

SK0708061291 Seoul YONHAP in English 0508 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (OANA-YONHAP)—Nearly 80 percent of South Koreans believe the Korean peninsula will be reunited before or around the turn of the century with slight help from Seoul's and Pyongyang's membership in the United Nations, a poll said Wednesday.

Ideological differences were the biggest block to unification, said nearly 50 percent, and the best way to crack the difference was civilian and economic exchanges.

A joint poll by the vernacular daily SEGYE TIMES and a private polling organization of 798 people aged 20 or over found 37.1 percent believe Korea will be reunited this century. Another 35.1 percent predicted reunification in the next century.

The large number of optimists compares with 13.3 percent who said reunification would be difficult.

The respondents, picked from medium and large cities across the country in telephone interviews, were less convinced about how much U.N. membership will expedite reunification.

Results showed 38.2 percent believe South and North Korea's U.N. entry will help reunification efforts slightly, while 35 percent said membership will minimize the possibility of aggression and serve as a catalyst for reunification.

Another 18.4 percent said U.N. entry will ease tension between Seoul and Pyongyang but have no influence on the reunification process.

Ideological conflict is the highest hurdle to reunification, said 43.9 percent, followed by North Korea's refusal to open and reform, 25.5 percent. Another 7 percent said the Seoul government was too passive.

The best solution to the conflict, said 50.4 percent, was civilian and economic exchanges. The second largest group of 20.8 percent said North Korea should open its society, while 11.3 percent pinned their hopes on the inter-Korean prime ministers' talks.

Seoul To Ask for Tax Exempt Trade With North

SK0708030091 Seoul THE KOREA TIMES in English 7 Aug 91 p 8

[Text] The government plans to request the General Agreement on Tariffs and Trade (GATT) to recognize trade between South and North Korea as inter-Korean trade in order to have it exempted from customs duties.

The step is designed to cope with the expectations of rapid expansion in trade between South and North Korea immediately after the both join the United Nations.

At present, the government exempts direct trade with the North from customs duties, recognizing it as inter-Korean trade.

However, non-tariffication on direct trade between the South and North is expected to draw complaints from the 102-member countries of GATT.

In particular, the member countries of GATT will ask Seoul to apply equal treatment to their trade with the South as Seoul does in its trade with Pyongyang.

In other words, they will call upon the South Korean government to exempt imports of their commodities from tariff rates in case the South does the same for the same goods brought in from the North under the pretext of the most favored nation (MFN) regulation in GATT.

Against this backdrop, the government is set to request GATT to waive tariffication on trade between the South and North so that inter-Korean trade free of customs duties will be internationally recognized.

The application for a waiver of tariffication on direct trade between the South and North will be made in accordance with GATT Code 25:5.

According to Code 25:5, GATT exempts its member countries from some of the obligations on trade agreed upon between them on an exceptional basis.

Under the code, South Korea should receive at least a two-thirds majority of votes cast by GATT member countries to realize non-tariff trade between the South and North.

The two-thirds majority of votes should also represent more than a half of all member countries of GATT.

It is reported that the government has decided to request GATT approval of inter-Korean trade without tariffication after the United States raised questions about the legality of shipments of 5,000 tons of southern rice to the North.

In consideration of an expected rapid expansion of trade between the South and North in the days to come, the government will exert all available efforts to have non-tariff inter-Korean trade recognized by GATT as early as possible.

The upcoming fourth round of premier talks between the South and North in Pyongyang slated for August 27-30 is also expected to propel inter-Korean trade.

The two sides are expected to sign three pacts on trade, travel and communications as well as one on non-aggression during the talks.

GATT approved West Germany's non-tariff trade with East Germany in 1951 when Bonn joined the international watchdog on tariffs and trade.

South Korea became a GATT member in 1967 but at that time it did not ask GATT to permit non-tariff trade with the North which has not joined GATT yet.

Government sources said that the demand from GATT's member countries that South Korea give equal treatment in trade same as non-tariff trade between the South and North is impossible to be accepted.

They said that the government's request to GATT to acknowledge non-tariff inter-Korean trade does not mean the recognition of two separate states on the Korean peninsula.

They said that any governments or trade zones which accept GATT's regulations can become members.

Entrepeneurs Express Interest in North Economics

SK0708000691 Seoul YONHAP in English 2328 GMT 6 Aug 91

[By Kim Min-chol: "South Korean Firms Give North Korean Workers High Rating"—YONHAP headline]

[Text] Seoul, Aug. 7 (YONHAP)—South Korean firms have been hit by shortages of production line workers and rapid pay hikes in recent years, but see help on the horizon in the unlikely form of North Korea.

At an international conference of the U.N. Development Program in Ulaanbaatar on July 6-7, North Korean officials made the surprising announcement that their tightly sealed and virulently communist nation would set up a special economic zone bordering the Tuman River, which flows along the Chinese-North Korean-Soviet border into the Sea of Japan, and that Pyongyang hoped foreign countries, including South Korea, would participate in the project.

North Korea is reportedly experiencing serious foreign exchange shortages and the Soviets have demanded payment for all transactions in hard currency from 1992.

Statistics of the National Unification Board of South Korea show that in late 1989 Pyongyang had a foreign debt of 6.78 billion U.S. dollars and its trade defecit for the year was 900 million dollars.

"We are just collecting information on the North Korean project at this stage, but we have heard that North Korean workers are of superior quality to Chinese or

Southeast Asians," says Yun Ki-yon, spokesman for Daewoo Corp., trading arm of the Daewoo group.

"We set up a refrigerator factory in China in 1987, so we know very well the slothful nature of the Chinese," he said.

In Seoul, there are demands for the government to let companies hire foreign workers to compensate for the shortage of workers. In July, for instance, the Korean Shipowners' Asociation applied to the Korea Maritime and Port Administration for permission to hire Chinese sailors of Korean ancestry.

"Actually, as we know, the North Koreans are capable of doing good work, for example, the garments produced by a North Korea-Japan joint venture in Pyongyang are quite popular in Japan because of their low price," says Yi Song-hwan, a researcher at the Samsung Economic Research Institute.

Moranbong Joint Co., a joint venture set up by pro-Pyongyang businessmen in Japan and North Korea's Unha Trading Co. in 1987, exports garments to Japan, says Kang Il-sik, chief of market expansion for Samsung Co., the trading arm of the Samsung business group. The Samsung group enlarged its market expansion team on Aug. 1 to deal with the North Korean project.

According to Bank of Korea statistics, as of late 1990 the central bank had approved 440 manufacturing projects in China and Southeast Asia worth approximately 800 million dollars. Some firms found it hard to manage their overseas factories due to the different life styles of Koreans, Chinese and Southeast Asians.

"Unlike Koreans, Chinese put their health before money," says an employee of Lucky-Goldstar International Corp., trading arm of the Lucky-Goldstar group, which has a toy factory in Beijing.

"They are reluctant to work overtime even though we promise to pay them for it," he says. "In fact, when we set up the toy factory in late 1988, the productivity of Chinese workers was 20-30 percent of that of Koreans. Now it is up to 50 percent."

An employee of Goldenbell Trading Co., which makes plastic raincoats in Indonesia, says: "In general, the productivity of Indonesian workers is 50 percent that of Koreans. At first, it was about 30 percent."

Goldenbell, a subsidiary of the Korea Explosives Group, established the factory in 1989.

"Rathern than linguistic differences, difficulties stemming from different characters are the problem. We had no choice but to adjust to their slow pace of life," he says.

South Korean firms would find it far easier to do business in North Korea since there are no cultural or linquistic barriers, the Samsung Institute's Yi says.

"If that happens, it would be a truly good thing," a Samsung group executive says. "It would be promising if South Korean firms put labor-intensive factories in a North Korean special economic zone, though we have no specific plan to do so."

Cooperative Banking System Considered With North

SK0708025891 Seoul YONHAP in English 0202 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—South Korea, in preparation for direct trade with North Korea, is looking for a way to build a cooperative system between banks on either side of the border.

One idea under study is opening a settlement account between Seoul's Export-Import Bank and Pyongyang's foreign trade bank to clear payments, a government official said Wednesday.

The account would enable businessmen to settle their bills in foreign currencies such as the Swiss franc or the U.S. dollar.

Loans to the North Korean bank are also being studied.

The official said settlement of bills will become a problem when direct trade between South and North Korea becomes active.

In the first direct trade between the two Koreas, Cheonji Trading Co. of the South and Kumgansan International Trading Co. of the North agreed in March to exchange 100,000 tons of southern rice for northern cement and coal, with the first swap being 5,000 tons of rice for 40,000 tons of coal.

Shipment of the southern rice was made late last month.

The rice was swapped for the cement and coal, but bartering will not be able to accommodate the large quantities of goods being directly traded in the future, he said.

North Korea is said to have an acute foreign exchange shortage as the Soviet Union, which accounts for over 50 percent of the North's external trade, has demanded that Pyongyang pay its bills in hard currency.

Because South Korea would probably buy much more from North Korea than it would sell to the North, a settlement account would help North Korea with its foreign exchange problem, he said.

The government was carefully considering extending soft loans or tied loans to North Korea if a cooperative system between the banks of the two sides could be established, he said.

Gas Turbine Research Plan Signed With USSR

SK0708033591 Seoul YONHAP in English 0233 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—Pak Won-hui, president of the Korea Institute of Science and Technology, and Anatoliy Ogurtsov, deputy general director of the

Polzunov Boiler and Turbine Institute, signed an agreement on gas turbine Wednesday.

The two institutes will undertake joint research into the use of gas turbines for commercial purposes under the agreement.

Ogurtsov, who arrived here on July 31, met with Korean scientists to exchange views on scientific matters and visited some industrial sites during his seven-day stay.

The Polzunov gas-turbine research center is in Leningrad.

Moscow Offers Land To Build Hotel

SK0708030791 Seoul YONHAP in English 0226 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—The Moscow City government has informed the Korea Trade Promotion Corp. (Kotra) that it will make nearly 6 hectares of land available in its international business complex [IBC] for construction of a Korea-U.S.S.R. trade center comprising a 20-story hotel and other facilities, a Kotra spokesman said Wednesday.

The city government plans to complete the business complex by 1998 at a cost of 5 billion U.S. dollars on 100 ha of land about 30 minutes by car from Moscow airport.

The Korea trade center will have a 20-story luxury hotel with 400 guest rooms, a 30-story office building, a three-story shopping center, an exhibition hall and two 12-story apartment buildings on 5.9 ha of land in the IBC, according to the spokesman for the state-run company.

Construction will cost 300 million dollars, excluding land and labor costs, and the venture will be capitalized 50-50 between the Moscow Construction Committee and a consortium of the Korean companies Lucky-Goldstar, Daewoo, Hyosung, Samhwan, Lotte, Korea Telecom and Pohang Iron and Steel.

The building's size is subject to slight change in the course of construction, the official said.

Kotra will dispatch a permanent correspondent to Moscow within a week for liaison and organize a survey team to decide the location of the trade center in the IBC.

Presidential Advisor Suggests Role for USSR

SK0708021991 Seoul THE KOREA TIMES in English 7 Aug 91 p 2

[Text] A political researcher stressed yesterday the need of the Soviet Union's role as a mediator in developing South and North Korean relations.

Kim Hak-chun, assistant to the President for Policy Research, said that it can be expected that, in the development of North and South relations, the Soviets can play the role of prudent mediator, saying the country is the only one which has diplomatic relations with both Koreas among nations near Korean peninsula.

In a meeting of the Northeast council of the Center for Strategic and International Studies [CSIS] which ended yesterday, Kim hinted at the possibility that there will be cross recognition of the two Koreas by the superpowers in the future. He said if the current trends prevail then the establishment of diplomatic relations between the South and China and between the North and Japan would be accomplished within the next two to three years.

On the other hand, he said, the question as to when the United States and North Korea will be able to commence full diplomatic relations remains a knotty one. He predicted that this event will follow the temper of the times.

He further forecast that if things do proceed as they should, then by the mid-1990s all of the super powers will have established simultaneous recognition of both Koreas.

With regard to the possibility of the North's opening, he said most Korean experts feel that North Korea will enter the road to reform and openness against her wishes. Within the North's ruling elite there are at least those technocrats who have some sense of the rational calculation and within the larger context show some symptoms of wanting such reform.

Kim said that in the future we will see that the Chinese will begin a transformation toward their own reforms. If this reform comes anytime in the near future, the burden on the North will be even greater, said the professor turned policymaker.

Korea's most important motive in pursuing the relationship with the Soviet Union is her belief that it will lead to peaceful reunification with North Korea, he said.

Meanwhile, Information Minister Choe Chang-yun proclaimed that the era of the military ruling in Korea has been put to an end completely with the present President No Tae-u's taking the power and the nation became to recover the civilian ruling permanently.

This kind of political change contributed to erasing the fear for another attempt to overthrow the government by means of coup d'etat and there is no one in Korea who believes the possibility that the government would be toppled by some military officials, he said in a speech to the CSIS conference.

"The U.N. membership of the two Korea will help improve relations with Pyongyang and Seoul and ease tensions on the Korea peninsula. It will enhance the stature of the Republic of Korea and will enable it to make even greater contributions to the community of nations," he said.

It will thus add impetus to the efforts to develop the Republic as a democratic power, he added.

Prior to yesterday's CSIS meeting, Rep. Yi Chong-chan of the ruling Democratic Liberal Party, said at a dinner meeting for the participants in the meeting that the United States is urged to join the Pacific rim region.

Yi who headed the Korean delegation said while the European Community is becoming independent of the United States, we can hear a silent outcry of Asian countries calling for her to join the region.

Perhaps this calling should be interpreted as their desire to see the United States function as a balancing power to all concerned; the USSR, China, Japan and North and South Korea in the region, he said.

Seoul May Broach Consulate Issue With PRC

SK0708025391 Seoul YONHAP in English 0053 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—South Korea may approach China about opening a consulate in Beijing after it is admitted to the United Nations next month, a senior government official said Wednesday.

South Korea, which exchanged trade offices with China early this year, was considering Beijing's position in seeking to upgrade bilateral ties, the official said.

China was well aware that it was time to normalize ties as the two Koreas were about to join the United Nations, but it would not be hurried in consideration of its long alliance with North Korea, he said.

"The trade offices basically carry out non-governmental functions. To discuss diplomatic relations, we need a governmental channel," he said, adding that seoul would broach the issue of opening a consulate in Beijing after South and North Korea were admitted to the United Nations in September.

The U.N. General Assembly session in September, the third ministerial conference of the Asia-Pacific economic cooperation and the 48th general meeting of the U.N. Economic and Social Commission for Asia and the Pacific will provide the two sides with opportunities for foreign ministers' talks, he said.

"In normalizing relations with China, we will not be in a hurry, because the issue is also linked with normalization of ties between Japan and North Korea. We believe contacts between the two governments (Seoul and Beijing) will become natural after the conclusion of agreements on trade, avoidance of double taxation, investment guarantee and aviation."

He noted that Seoul and Moscow exchanged consulates before they set up diplomatic relations on Sept. 30, 1990.

PRC, Red Cross Groups Agree To Cooperate

SK0708021091 Seoul THE KOREA TIMES in English 7 Aug 91 p 3

[By staff reporter No Chun-hun]

[Text] The Korea National Red Cross [KNRC] and the Red Cross Society of China [RCSC] have agreed in principle to engage in cooperative exchanges despite the absence of formal diplomatic relations between the two countries, a Chinese Red Cross official said.

RCSC Deputy Secretary General Qu Zhe, leader of a three-member Chinese delegation, said in an interview with The Korea Times yesterday that the agreement is significant in terms of helping the people of both nations.

The Chinese Red Cross officials left for home yesterday, winding up their week-long official visit to Korea at the invitation of KNRC President Kim Sang-hyop.

"I have great respect for the deeds of the South Korean Red Cross and its progress in recent years and this mutual understanding (memorandum of understanding) is certainly a step in the right direction," the 53-year-old Qu said.

Noting that mutual cooperation developed between the two parties during international Red Cross meetings over the years, he said there is now potential for even higher levels of cooperation.

"I feel that we have a great deal to learn from the South Korean Red Cross which is operating an extensive number of facilities for the benefit of the general public, including a hospital," he commented.

In particular, Qu expressed gratitude to the South Korean people for the $250,000 relief fund to help those who were devastated in a recent series of floods in southern China.

The KNRC is also collecting blankets to be sent later this month to the 10 million Chinese left homeless by the disaster which also killed almost 2,000 others.

The RCSC officials showed strong enthusiasm for the possibilities for increased exchanges of general programs and high-ranking Red Cross officials.

"Although our relationship is at an infant stage with no definite plans to speak of yet, there is anticipation for considerable progress in the near future," he noted.

While staying here, the delegation visited Kyongju where Qu was surprised to see historical relics preserved over thousands of years. "The presence of such relics testifies to the character of the Korean people. To have preserved history as it has been in Kyongju speaks well for the nation," he praised.

Trade Deficit With Japan Reaches $4.5 Billion

SK0708025591 Seoul YONHAP in English 0019 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—South Korea's trade deficit with Japan was 4.577 billion U.S. dollars in the first half of the year, up 1.685 billion dollars from the same period last year, the Korea Foreign Trade Association (KFTA) reported Wednesday.

Japan-bound exports rose 5.1 percent to 5.917 billion dollars and imports grew 23.2 percent to 10.494 billion dollars, it said.

The deficit is 77.1 percent of the 1990 deficit of 5.936 billion dollars with Japan and 70.5 percent of the nation's overall trade deficit of 6.492 billion dollars in January-June this year.

In June, exports to Japan edged up 2.8 percent to 1.002 billion dollars and imports from Japan jumped 19.3 percent to 1.777 billion dollars for a deficit of 775 million dollars, up 206 million dollars from a month earlier.

Major Japan-bound exports were ships and water-surface facilities (up 282.5 percent), non-ferrous metals (up 164 percent) and steel products (up 16.7 percent). Exports of integrated circuits fell 48.7 percent, leather garments 34.3 percent and fishery products 10.5 percent.

Top import items included battery chargers (up 85.8 percent), construction and mining machinery (up 81.9 percent), computers (up 44.7 percent) and steel products (28.4 percent). Marked lower were textile and leather machinery (down 42.4 percent) and machine tools (down 18.6 percent).

Brazilian Foreign Minister Arrives 7 Aug

SK0708101091 Seoul YONHAP in English 0937 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (OANA-YONHAP)—Brazilian Foreign Minister Francisco Rezek arrived in Seoul on a four-day visit Wednesday afternoon at the invitation of his Korean counterpart Yi Sang-ok.

Rezek is to discuss the promotion of bilateral friendly relations with Yi and sign an agreement on scientific and technological cooperation between the two countries.

His is the first official visit by a Brazilian minister since the establishment of diplomatic ties in 1959.

'Profligate Consumption' Causes Imports To Surge

SK0708025691 Seoul YONHAP in English 0212 GMT 7 Aug 91

[Text] Seoul, Aug. 7 (YONHAP)—South Korea had its lowest level of imports for re-export in 10 years in the first half of the year, a paltry 30 percent of total imports, a trade report compiled by the Trade and Industry Ministry said Wednesday.

Profligate consumption caused imports to surge 24.5 percent from the same half last year to 40.47 billion dollars, it said.

Imports for domestic use rose 30.3 percent to 28.06 billion dollars and imports for re-export climbed 13 percent to 12.4 billion dollars, it said.

High on the list of goods for domestic use are crude oil, oil derivatives, reinforced iron, shaped steel, cement, beef, sesame seeds, bananas, agricultural products, electric home appliances, furniture and beverages.

Among the January-June imports were 21.5 billion dollars of raw materials, up 23.4 percent, 15.02 billion dollars of capital goods, up 25.9 percent, and 3.91 billion dollars of consumer goods, up 24.7 percent.

Consumer imports for export use amounted to 632 million dollars, up 9.2 percent, and those for domestic use amounted to 3.27 billion dollars, up 28.2 percent.

Raw materials and capital goods showed a similar pattern, with those for domestic use increasing nearly 30 percent and for export use about 12 percent.

Recipient Status for IBRD Loans Pressed

SK0708032091 Seoul THE KOREA TIMES in English 7 Aug 91 p 8

[Text] Korea is being pressed by some advanced nations to give up its loan recipient status granted by the International Bank for Reconstruction and Development (IBRD). The IBRD is the sole international organization from which Korea receives loans used to develop social infrastructures.

Last year, Korea was dropped from the aid recipient status list of the Overseas Economic Cooperation Fund (OECF) run by Japan.

According to Finance Ministry officials, the United States and some other advanced countries have pressed IBRD to remove Korea's recipient status, claiming that the country is no longer a developing nation in light of its per capita gross national product (GNP) which amounts to more than 5,000 U.S. dollars.

The Seoul government has asked IBRD to see to it that Korea will continue to remain recipient nation.

In particular, the United States was reported to have opposed the provision of loans used for agricultural development here since last year.

Contrary to this move by some advanced nations, the executive body of the IBRD has shown a favorable reaction to keep on offering loans to Korea, terming it a model country which successfully achieved economic development with the international loans.

Korea joined IBRD in 1955 and has obtained loans amounting to 7 billion U.S. dollars since the 1960s.

Burma

Military Official on Constitution, Government

BK0608151591 Rangoon Radio Burma in Burmese 0415 GMT 6 Aug 91

[Article from the 6 August LOKTHA PYEITHU NEZIN newspaper, written by "a senior military official" and broadcast on the "Something To Read and Note Today" program: "What the Form of the State Should Be in the Future"]

[Text] The type of constitution a nation should have depends largely on the nation's demography. The determining factors in this context are the distribution and concentration of racial groups, the level of development, the size of the population, and [political] values.

Today the term ethnic minority no longer conveys a profound meaning. It is evident that the thinking that an ethnic minority group is part of a major racial group has been greatly superseded by the concept that a racial group is simply a racial group. The belief that every racial group has the right to autonomy reflects the progression of political awareness among racial groups. The present course of political history clearly shows that the previously accepted notion that there are only eight major racial groups in Myanmar [Burma] is fast disappearing with time.

If the minority racial groups that have always resided in Shan State are to be considered part of the major Shan racial group, then there can only be one main Shan insurgent group instead of the many insurgent groups that now exist, such as the Pa-o, Palaung, Wa, and Lahu groups. Likewise, there can only be one Kachin insurgent group in the Kachin State. In a similar light, there should be no need for the Nagas to object to their inclusion in the Chin racial group. But such is not to be.

The fact that there are 135 racial groups in Myanmar makes it hard to argue in favor of a Constitution based on the major racial groups. If the state is to be founded on the basis of major racial groups, this still will not end the armed insurgencies, but will instead lead to even more serious racial unrest. Only if the state is founded on the basis of autonomy for racial groups will it be able to either eliminate or lessen misunderstandings and foster the spirit of nationalism. In other words, a three-step-unity—unity within unity within unity [preceeding five words rendered in English]—must be established.

Each of the indigenous racial groups that belongs to the Myanmar race should take steps so that the autonomy of each group will be raised to a higher level of autonomous districts and township zones, and from these autonomous regional levels to the form of a nation. Through this, disputes regarding the suitability to the nation of either the unitary or the federal system will come to an end.

It will be most appropriate if decentralization [preceding word rendered in English] that assures freedom through autonomy for racial groups on the basis of racial concentration and distribution is coupled with centralization [preceding word rendered in English] at the state level that ensures unity.

The wishes of racial groups will be fulfilled if they are allowed to control the three branches of power [executive, legislative, judicial] in the regions where they form the majority. The right to exercise power at the state level should depend on the branches concerned. For example, legislative power should concern the legislative assembly; judicial power belongs to the supreme court; and executive power should lie with the head of state and the government that he or she has formed. The distribution of power will then be balanced and just, and unity can then be achieved at the state level.

While establishing unity at the regional level through the autonomy of racial groups, unity among all racial groups can be achieved by the head of state, the legislative assembly, and the supreme court.

The head of state in a country where many racial groups reside should be a person acceptable to the majority of its citizens and should also receive the support and trust of the majority of voters. Only then can that person represent the whole nation and govern effectively. Since the head of state represents the majority of the people, he shall be responsible to the people and comply with their wishes. The legislative assembly and the supreme court will guide and control the head of state in legislative and judicial matters.

In the same way that the head of state is directly elected by the people, persons participating in civil administration and legislative activities in the autonomous regions should be elected by the people in the regions concerned. Townships should be grouped and a similar practice pursued in the (?major autonomous) regions.

Chapter 1, regarding the state, was defined by the 1947 constitution as follows: the state shall be called the Union of Burma, and the sovereign power of the state lies with the citizens. The 1974 constitution says: The state shall be called the Socialist Republic of the Union of Burma. The Socialist Republic of the Union of Burma is a state where indigenous people reside together. Under either definition, the state is founded on the major racial groups. This has caused dissatisfaction among the racial groups.

It must be suggested that since the majority of the indigenous racial groups want autonomy, autonomous regions should be established based on the absolute conditions and on the majority racial group at the regional level, and the Republic of Myanmar should be established on the basis of a republic that reflects strong unity at the state level. This would be the most appropriate way to proceed in this new era of democracy.

Delegation Departs for Border Talks in Thailand

BK0608145091 Rangoon Burma Television Network in Burmese 1330 GMT 6 Aug 91

[Text] A Myanmar [Burmese] delegation headed by U Ohh Gyaw, deputy minister for foreign affairs, left by air for Thailand at 1330 today to attend the fourth meeting of the Mae Sai-(Mae Hauk) Joint Border Committee at the invitation of Thai authorities.

The delegation was seen off at Rangoon airport by the responsible officials of the ministries concerned, [name indistinct], Thai charge d'affaires ad interim, and staff members of the Thai Embassy.

The members of the Myanmar delegation are U Aye Lwin, director general of the Foreign Ministry's Consular, International Treaties and Research Department; U Mya Thinn, director general of the Survey Department under the Ministry of Agriculture and Forests; Commander Tun Aung of the Naval Hydrographic Department; Lieutenant Colonel Pe Nyein, Grade 1 staff officer of the Army Chief of Staff Office; U Than Myint, deputy director general of the Irrigation Department; Lt. Col. Thein Maung of the Shan State Law and Order Restoration Council; and Director U Nyunt Maung Shein and Divisional Head U Maung Wai of the Foreign Ministry's Border Division.

Brunei, Malaysia & Singapore

Malaysia

President Bush Satisfied With Relations

BK0708041291 Kuala Lumpur BERNAMA in English 0308 GMT 7 Aug 91

[From Salmy Hashim]

[Text] Washington, Aug 7 (OANA/BERNAMA)—United States President George Bush has said that he believed Malaysia, a living model of successful economic development, would attain its goal of becoming a developed nation by the year 2020.

Under the leadership of Malaysian Prime Minister Dr. Mahathir Mohamed, Malaysia has flourished economically and shouldered admirably the responsibilities that come with its enhanced stature in its region, among developing nations, and in the community of nations, the president said here Tuesday in response to remarks made by Abdul Majid Mohamed, the newly-appointed Malaysian ambassador to the United States.

Abdul Majid, 51, who arrived in Washington about two months ago, presented his credentials to President Bush Tuesday at the White House.

President Bush, in a written statement, expressed his personal satisfaction with the state of U.S-Malaysian relations, "and my admiration for Malaysia's principled stand against aggression in the Persian Gulf."

He regarded Malaysia and the U.S as living models of successful economic development because both countries sought to improve the opportunities for human development and freedom available to individual citizens.

Both countries also recognised the importance of safeguarding the natural environment in the development process, the president added.

In addition, we share humanitarian concern over the plight of the Indochinese asylum-seekers, he said. He also hoped that Malaysia would resume its humanitarian responsibilities as the situation in Indochina neared resolution.

President Bush did not mention the East Asian Economic Group (EAEG) proposed by Malaysia in his statement, but said that the U.S. membership in the Asia Pacific Economic Cooperation (APEC) signalled its desire to work cooperatively in the region.

We are committed to the success of this group, which holds great potential for both our economies, he said.

Datuk Abdul Majid, in his statement to the president, stressed that the proposed economic group was not directed at any country or group of countries, and "we trust the United States as the foremost proponent of free trade and international cooperation, will provide support to this initiative."

He said Malaysia strongly felt that there was a need to foster greater economic cooperation amongst East Asian countries, and together with the members of the Southeast Asian Nations (ASEAN), study the possibility of forming a consultative economic group of East Asian countries to promote trade and investment in the region.

First Palm Oil Shipment to Iraq Set for Sep

BK0608150691 Kuala Lumpur BERNAMA in English 0947 GMT 6 Aug 91

[Excerpt] Kuala Lumpur, Aug 6 (OANA-BERNAMA)—Malaysia expects to make its first shipment of palm oil to Iraq next month since sales to that country were interrupted by the Gulf crisis a year ago, a government land development senior official said Tuesday.

Negotiations are being finalised to sell the commodity to Iraq under barter trade arrangements in exchange for Iraqi crude oil, Federal Land Development Authority (Felda) Group Managing Director (joint ventures) Abdullah Yusoff added.

At a briefing for newsmen here, he said the sale of palm oil to Iraq was not subject to sanctions imposed by the United Nations following the Iraqi invasion of Kuwait on Aug 2, 1990. "Palm oil is a food item which, together with medical supplies, are excluded from the UN-imposed sanctions on Iraq," he added.

Iraq is seeking approval from the United Nations to sell at least one billion U.S. dollars worth of oil in order to buy food and medicine for its people. News agency reports say international relief officials, who have visited Iraq, fear that famine will devastate the country even if sanctions are immediately eased to allow the purchase of food.

On July 18, Felda signed a long-term contract estimated to be worth M [Malaysian] $200 million (about U.S. $74 million) to M $250 million (about U.S. $92.59 million) with the Iraq state enterprise for vegetable oil for an order of 250,000 tonnes. [passage omitted]

Minister Says State Unhindered by Bad Publicity

BK0608073691 Kuala Lumpur Voice of Malaysia in English 0600 GMT 5 Aug 91

[Text] The Sarawak government is not unduly concerned by the bad publicity generated by foreign environmentalists over its logging activities because most of it is untrue. Chief Minister Tan Sri Haji Abdul Taib Mahmud said 90 percent of the allegations made by the environmentalists about the logging and Penan issues were not true.

The government considered the issues raised by environmentalists as only a passing phase in the development of the state. Tan Sri Taib was launching a book, "A Dream of Freedom—the Early Sarawak Chinese," by a local author Dr. Paul M.H. Yong in Kuching, the state capital of Sarawak.

Tan Sri Taib said the state had done a lot to help the Penans and the government did not need a re-thought by others how to run the state. His main concern now is the future of the state, particularly the roles of its people in playing a part in development in line with the national objective to make Malaysia a developed country by the year 2020.

Singapore

'Concern' Issued Over Indo-Malay Exercise

BK0708101691 Kuala Lumpur Voice of Malaysia in English 0800 GMT 7 Aug 91

[Text] Singaporeans have expressed concern over the scale, proximity, and timing of the joint Malaysia-Indonesia military exercise in Johor. While they did not believe that there was any unfriendly intention behind the exercise, they feli that the staging of large scale maneuvers during the republic's national day celebration disregarded the sensitivities of a neighbor.

Senior parliamentary secretary, national development, Mr. Lee Yuk Seng said last night it was noteworthy that such a large scale exercise was conducted just 20 km from Singapore. Fortunately, Singaporeans do not believe the intention to be unfriendly. He said this at his Bukit Panjang constituency national day dinner.

ANC Vice President Arrives for Visit 7 Aug

BK0708134691 Singapore Singapore Broadcasting Corporation in English 1100 GMT 7 Aug 91

[Text] The Deputy President of the African National Congress [ANC] Mr. Walter Sisulu said he is confident in the future of South Africa. Despite present difficulties, he believes South Africa is heading for a non-racial society.

Mr. Sisulu, who is in Singapore on a three-day official visit, spoke of the moral support and solidarity from countries such as Singapore. He said now more than ever this support is necessary because of the present situation in South Africa.

On the lifting of sanctions by the United States, Mr. Sisulu said they should not have been lifted. As long as this situation is still unchanged, the international community should proceed with all the (?necessary) sanctions.

Mr. Sisulu's visit here is at the invitation of the Foreign Affairs Minister Mr. Wong Kan Seng.

Survey Considers Country Credit-Worthy

BK0708085791 Singapore THE STRAITS TIMES in English 6 Aug 91 p 40

[Text] Singapore remains among the world's most credit-worthey nations, according to the latest credit-risk survey by American risk analysts Business Environment Risk Intelligence (Beri).

The survey is one of several it carries out annually, with the others covering subjects like labour force and business risk..

Despite what it said was some loss of competitiveness in manufacturing, Beri continued to rank Singapore as a 1A Low-Risk Environment for investments.

The Republic also remains among the top three business centres in the world, maintaining its joint third ranking with Germany, behind Switzerland and Japan, it added.

Beri said that the expected decline in Singapore's economic growth rate this year, from last year's 8.3 percent, will be helpful in managing the economy, which is showing signs of overheating.

Singapore's Trade and Industry Ministry is projecting growth of between 6 and 8 percent this year.

Beri believes that the country's current and capital accounts will worsen slightly this year because of the earlier recession in the United States.

But the balance of payments will still maintain a strong surplus, it added.

Beri also noted that Singapore was making good progress in developing its financial and business services.

Indonesian Army Chief Receives Award

BK0708123191 Singapore Singapore Broadcasting Corporation in English 1100 GMT 7 Aug 91

[Text] The Distinguished Service Order has been conferred on the Commander of the Indonesian Armed Forces General Try Sutrisno by President Wee Kim Wee.

The Defense Ministry said the award was given for his outstanding services in promoting good relations between the Singapore and the Indonesian armed forces.

The citation also commended General Try Sutrisno for actively promoting bilateral cooperation between the armed forces of the two countries. The (?extent) of his efforts led to the a memorandum of understanding on joint army training exercises and to jointly develop training for both air forces in Sumatera.

The (?citation) adds that General Sutrisno has always taken a personal interest in fostering close consultations, dialogues, and professional exchanges between and among the armed services of both countries. This was done through formal and informal channels.

The SAF [Singapore Armed Forces] Chief of Defense Forces General Winston Choo said General Sutrisno strongly supports the bilateral relations between the two armed forces. General Choo said much has been done to also bring about a closer working relationship among the intermediate officers of both armed forces and not for senior officers alone. He said there were lots of bilateral exchanges and visits where opportunities were provided for the younger officers to meet and to (?interact) together.

Cambodia

Chea Soth Meets SRV Construction Delegation

BK0608073191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0403 GMT 6 Aug 91

[Text] On 5 August at the office of the Council of Ministers, Comrade Chea Soth, member of the party Central Committee Political Bureau and vice chairman of the Council of Ministers, granted an audience to a delegation of the Vietnamese Construction Ministry led by (Pham Chi Lien), deputy minister of construction. They discussed the construction of a party school aided by the CPV [Communist Party of Vietnam] Central Committee to the Kampuchean People's Revolutionary Party.

Speaking on that occasion, Comrade Chea Soth hailed and highly valued the efforts and creativeness of the Vietnamese architects and workers in designing and building this party school according to a mixture of Cambodian and international architectural concepts.

Comrade Chea Soth also stressed the importance of the cooperation that had contributed to the successful construction of this building and produced its extremely elegant appearance, making it one of the buildings most useful to the country at large.

In his reply, Comrade (Pham Chi Lien) informed Comrade Chea Soth of the remaining work to be done in the second half of 1991 so that the construction of this school will be completed by the end of this year.

The construction of this school began in June 1989. The school consists of sections reserved for studies, living quarters for students, a mess hall, and various other sections.

Comrade (Pham Chi Lien) also informed Comrade Chea Soth of the preparations for the coming inauguration of the school.

Indian Foreign Minister Thanks Hor Namhong

BK0608120291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 6 Aug 91

[Text] Comrade Hor Namhong, foreign minister of the State of Cambodia, recently received a message of thanks from his Indian counterpart, His Excellency Madhavsinh Solanki.

The message read: I would like to thank Your Excellency for the message of warmest greetings on my appointment as the Indian foreign minister.

We would like to express the high esteem we hold for the cordial traditional relations of friendship between India and Cambodia, and I am hopeful of being able to work together with you to strengthen and expand the cooperation between our two countries.

Agreement Signed With Moharishi Organization

BK0608062191 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 5 Aug 91

[Text] A ceremony was held at the office of the foreign minister of the State of Cambodia [SOC] to mark the signing of an agreement for development between SOC Foreign Minister Long Visalo and Mr. (Saranon Sonanon), representative of the Heaven-on-Earth Moharishi Organization, which represents the Mohabrahmadeva Organizations of Thailand, Malaysia, India, and Denmark.

This agreement is aimed at enhancing the general cooperation on various aid programs within the framework of the $4 to 5 million humanitarian aid given to the Cambodian people by the Heaven-on-Earth Maharishi Organization for a period of 5 years. This aid is for building a hospital in Kamchay Mea District [Prey Veng Province], a road from Prey Veng Province to Kamchay Mea District, and a university for Prey Veng, Svay Rieng, and Kompong Cham Provinces.

The organization will also help in developing villages, districts, and towns by providing them with modern installments, communication systems, schools, colleges, universities, and large buildings for organizing festivals; it will also help in expanding agriculture and industry.

The programs and activities of the Heaven-on-Earth Maharishi Organization in Cambodia do not involve any political issues nor any religious or racial discrimination.

Ministry Official Says Vehicle Taxes Due 1 Oct

BK0608062091 Phnom Penh SPK in English 0416 GMT 6 Aug 91

[Text] Phnom Penh SPK August 6—The Ministry of Finance is going to tax transportation means in the country from early this month to October this year, a ministry official said.

A directive jointly issued recently by the Ministry of Finance and the Ministry of Interior said all kinds of transportation means owned by the public, collective and private sectors as well as foreign businessmen which are in commercial operation, would be taxed by the state.

Only the vehicles of the diplomatic corps, international organisations and foreign experts working in Cambodia are exempt from taxes, he said.

Ambulances, fire engines and military trucks are also free from tax payment, the official added.

Vehicle taxes are paid once a year, and for this year they are expected to be handed in by October 1st. Any owner of transportation means who fails to pay taxes to the state before the deadline would be fined by traffic policemen, said the official.

Commentary Warns Against Truce Violation

BK0708075991 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 6 Aug 91

[Station commentary: "What Is To Be Done To Make the Voluntary and Unlimited Cease-Fire Work Effectively"]

[Text] The voluntary cease-fire in Cambodia has lasted for over three months now. But since the war in Cambodia is a civil war, it is difficult to clearly define the cease-fire boundaries. International observers view this cease-fire as being very fragile—that is, very easily violated.

This is exactly true, because a few hours after the cease-fire went into effect, the other Cambodian groups, particularly the genocidal Pol Pot gang, continuously encroached upon the State of Cambodia [SOC] side by firing artillery shells into the bases of the Cambodian People's Armed Forces and into people's villages, sending infantry forces to attack villages and communes, infiltrating the areas controlled by the SOC, and transporting more arms and ammunition into the areas adjacent to the SOC positions.

Briefly speaking, the other Cambodian factions have exploited the goodwill of the SOC, which has sincerely and with great restraint respected the cease-fire agreement in order to strengthen their forces, expand their footing, and seize our territory and people. This act runs totally counter to the spirit of the final communiques of the Supreme National Council [SNC] meetings in Phatthaya and Beijing. Worse still, while encroaching upon the SOC, they loudly accused the SOC of provoking them.

For this reason, our people ask this question: What is to be done to make the cease-fire work effectively?

To get a clear answer, it is imperative to question the other Cambodian factions, which have kindled the civil war in Cambodia for more than the past 12 years, whether they want to bring peace to the Cambodian people or not.

In 1990, (Roger Normis), author of the [name indistinct] Journal of Harvard University, exposed Pol Pot's speech to his army commanders in 1988 about a plan to delay the general elections in the political solution for Cambodia until his armed forces could take control of the entire Cambodian territory, thereby enabling their Polpotist cadres to seize the role of arranging the elections. Pol Pot stressed that ending the war by political solution would only humiliate his movement, thus he would never allow the political solution in Cambodia to advance and even if the process for a political solution has already begun, his armed forces would continue their self-defense work in deep jungles as a backup.

UPI sources also reported that the Pol Pot clique still adhered to its plan to seize Battambang and Banteay Meanchey Provinces and that it's men have tried hard to fulfilled their much-chanted slogan: The fish get the ants at high tide and the ants get the fish at low tide.

The above clearly show that the Pol Pot clique, which is one of the three factions on the other Cambodian side, does not have any goodwill to settle the Cambodian problem through political means. Their accepting the cease-fire agreement reached in Phatthaya is because, on the one hand, they suffered repeated defeats since the 1989-90 and 1990-91 dry seasons and, on the other hand, wanted to adjust themselves just for the time being to avoid being condemned and isolated in the international arena. This is why, while claiming that they have accepted the cease-fire, they have continued to launch all kinds of activities in violation of the agreement.

In this case, what is to be done to carry out this cease-fire effectively?

Our people are of the opinion that first of all, the warring factions, particularly those of the other Cambodian side, must have the goodwill and be honest toward the cease-fire agreement. If each side does not honestly observe the cease-fire, the war will continue. This being the case, whatever efforts the international community makes, it can never help to resolve this situation. Moreover, as the SOC side proposed in Phatthaya, the United Nations should send a UN survey mission to monitor the cease-fire in cooperation with the SNC's military working group. This is the most appropriate measure because in the past, even though an agreement on Cambodia was reached, the United Nations had, on several occasions, sent its fact-finding mission to Cambodia.

However, it is very regrettable that the Pol Pot clique's representatives in Phattaya rejected this proposal and turned to demand that the United Nations send a team of 500 to 800 observers at first and then tens of thousands of them to Cambodia.

Although Mr. Rafiuddin Ahmed, special envoy of the UN secretary general, had rejected this proposal on

grounds that the cease-fire in Cambodia is a voluntary one, the Pol Pot clique still continued its propaganda and making appeals regarding this matter. Worse still, the Pol Pot clique had made use of the names of the Cambodian people in a number of localities under the SOC's control by claiming that they demanded the same thing.

The Cambodian people support the appeal of the SNC made during its unofficial meeting in Beijing proposing that the United Nations send a survey mission to study the modalities of control and an appropriate number of UN personnel to control the cease-fire and the cessation of foreign military aid in cooperation with the SNC's military working group.

This is the best measure to make the cease-fire proceed effectively and avoid mutual accusations which only contaminate the atmosphere of mutual trust.

Our people would like to call on the Cambodian factions of the other side to halt all its hostile activities and warn that stubborn elements must be held responsible for the bad incidents that hinder the political solution to the Cambodian problem.

VOK Responds to Phnom Penh Criticisms

BK0608105991 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 6 Aug 91

[Political commentary: "Has the Heng Samrin-Hun Sen Faction Already Renounced Communism?"]

[Text] We recently received an unofficial report that a leader of the Heng Samrin-Hun Sen faction reacted strongly when he heard that Voice of the Khmer [VOK] Radio had termed his group a communist faction installed in power in Phnom Penh by the Vietnamese. Indignation poured out by an individual is a quite normal matter. But the outrage against VOK from the leader of a Cambodian party is an issue ev[illegible]y Cambodian should consider.

The two significantly infuriating expressions put on the air by VOK Radio are: first, "communist faction," and second, "being installed in power in Phnom Penh." With regard to the two expressions, VOK Radio wishes to concede that we did actually make use of them but should not, however, have done so at a time when we are moving toward national reconciliation, even though we have heard that His Beloved Excellency Hun Sen's radio has employed base and indecent language against the resistance parties in a manner reminiscent of the cowboys in Hanoi. However, we should, all the same, think over what we have broadcast to see whether our wording has been inaccurate.

First, concerning the expression "the communist Heng Samrin-Hun Sen faction," no one can accuse us of wrongly broadcasting the term because everyone knows that the group derived from the Polpotist Khmer Rouge in the wake of internal conflict within the Polpotist faction during its reign between 1975 and 1978. With expressions such as "comrade, state, party," and so on that the faction employs everyday, we can righteously—and there is no need to trace the origins of Comrades Heng Samrin, Chea Sim, and Hun Sen—judge whether or not the group is communist.

The second infuriating phrase is "the faction the Vietnamese have installed in power in Phnom Penh." If they are furious at the use of this expression, we wish to ask the following question: Who has installed the group in power in Phnom Penh? Is it not the Hanoi Vietnamese?

If this is true, we think the group should not become angry with its Cambodian fellow compatriots. The VOK wishes to apologize to the compatriot listeners for such an answer that we are addressing to the other side. However, the response is not as brutal as the wording that the [word indistinct] propaganda apparatus has currently employed against us. Besides, we think the expression is not as serious as are the truce violations the Hun Sen faction has committed against our combatants. Moreover, we believe that our wrongdoing is not comparable to the group's embezzling of some state and private property to use as its own: Now they are all tycoons and each owns three or four mansions rented out for dollars through relatives. Furthermore, our mistake is not as grave as the group's consent for the [word indistinct] to usurp Cambodia's resources and illegally strip Cambodia's timber.

That being the case, VOK thinks we should not become furious with each other only over such expressions. If we do not want to hear such wording any more, we should—this is the only way—stop being communist. We should strive to expedite the restoration of peace to Cambodia with a legitimate government appointed by the people but, of course, not shored up by the Hanoi Vietnamese. If we can achieve this, the word "communist" will not be heard from VOK Radio. As for the expression "installed in power by the Vietnamese," it will disappear from VOK Radio as well.

Indonesia

Suharto Receives Singapore Defense Minister

BK0308133891 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 3 Aug 91

[Text] Singapore Defense Minister Yeo Ning Hong today paid a courtesy call on President Suharto at the latter's residence on Cendana Street. They discussed efforts to enhance military cooperation. The Singapore defense minister, who was accompanied by Defense and Security Minister L.B. Murdani, briefly told newsmen later that President Suharto attached importance to enhancement of the national resilience of each ASEAN member country. The president said that if each country is able to maintain its own national resilience, this will contribute to regional resilience in Southeast Asia.

Meanwhile, the Indonesian and Singapore defense ministers witnessed the signing of an agreement on the development and joint use of an air combat maneuvering range in Jakarta yesterday. The agreement was signed by General Try Sutrisno, commander of the Armed Forces of the Republic of Indonesia, and Lt. Gen. Winston Choo, chief of the General Staff of the Singapore Armed Forces.

Minister: PRC May Become Industrial Competitor

BK0408074091 Jakarta ANTARA in English 0331 GMT 4 Aug 91

[Text] Dili (East Timor), August 4 (OANA-ANTARA)—Industry Minister Hartarto said here Friday that the People's Republic of China (PRC) can become Indonesia's strong competitor in selling industrial products because of that country's industrial potentials.

China, now heading towards an open economic system, has potentials for developing its industries, especially export-oriented ones, he said before a meeting of local government officials and enterpreneurs here on Friday.

With its upstream and downstream industries as well as its home industries backed up by its capability of mastering technology and cheap skilled labour, China's industries will be efficient and competitive, he said. Minister Hartarto said national industries were now intensifying efforts to seek market potentials in the Asia Pacific, the European Community, the Middle East, and East Europe including the Soviet Union and the PRC.

Fast development in the Asia Pacific and ASEAN region as shown by the region's fast and dynamic economic growth has provided large opportunities for the country's industries, he said.

In 1989, Indonesia's exports to the Asia Pacific comprised 75 percent of the country's total exports. Hartarto called for a close watch over the European Community which had a plan to set up a single European market in 1992, and the fast development in East Europe.

Regarding industrial development in East Timor, Hartarto said the region actually has a lot of potentials to develop. Citing an example, he referred to the potential of the region in producing sandalwood.

Finished products made from the wood can certainly win market shares at home as well as abroad, he said. Jepara, known for its woodcarving products, in Central Java has proven it with its regular exports of wooden coffins to Europe and the United States, he added.

"With the presence of big business partners in the region I hope small-size industries in the region will go stronger and eventually self-sustaining," he said.

Minister Hartarto visited East Timor for a day to confirm partnership cooperation between big businesses and local small-scale industries.

PNG Visitors Urged To Report to Authorities

BK0208122291 Jakarta ANTARA in English 1020 GMT 2 Aug 91

[Text] Jayapura (Irian Jaya), Aug 02 (OANA-ANTARA)—The Trikora VIII (Maluku-Irian Jaya) Military Commander Major General Abinowo urged Friday Papua New Guinean (PNG) citizens to report to Irian Jaya authorities if they pay a visit to the Indonesian easternmost province.

PNG citizens who pay a visit to Irian Jaya, particularly Jayapura, often do not report to the authorities such as the immigration officials, the Trikora military commander said.

He said that the obligation for foreigners to report their arrivals to the authorities is intended to make them easy to check or to provide them with security guarantee during staying in Indonesia.

It has been a negligence so far that some of the PNG citizens visiting Indonesia did not report to the authorities, he said.

Besides, families who are visited by PNG citizens (usually a traditional visit) are also required to report their guests who have not reported themselves.

Most of the PNG citizens who make a visit to Jayapura reside near the border line between the two countries.

Rice Sufficiency Discussed Despite Drought

BK0608141491 Jakarta ANTARA in English 0835 GMT 6 Aug 91

[Text] Jakarta, Aug 6 (ANTARA/ECOANA)—There is no need for the government to import rice despite the current long drought in some parts of the country, because the national rice production as a whole has been negatively affected only slightly.

Cooperatives Minister and head of the logistics board (BULOG) Arifin gave this assurance on Tuesday after reporting about the matter to President Suharto at the Jalan Cendana presidential residence.

Bustanil came to see the president in the company of Agriculture Minister Wardoyo and Junior Minister for Agriculture Syarifudin Baharsyah who also took part in a national coordination meeting on food in Bandung, West Java, last week.

Bustanil admitted it is true that the protracted drought has caused rice production to decrease but he said rice reserves controlled by BULOG nationally is still more than adequate at 1.7 million tons.

Meanwhile the logistics board would only need to distribute rice up to 140,000 tons monthly.

Agriculture Minister Wardoyo reported the drought had affected about 170,000 hectares of ricefields in West

Java, Central Java and West Nusatenggara (NTB), of which 20,000 hectares had been almost totally damaged.

But there are regions where the rice productions have not been affected at all, such as South Sulawesi, he noted.

He said the country was expected to yield 44.6 million kilograms of dried unhulled rice this year, only slightly less than last year's output figure of 45.1 million tons.

This year's rice output level will be 148 kilograms per capita per year against 152 kilograms per capita per year last year or an annual average of 147 kilograms per capita in the 1984-89 period, the minister said.

The minimum need for rice supply in the country is 137 kilograms per capita per year.

Thus, he declared, the self-sufficiency in rice which Indonesia achieved in 1984 will be maintained.

After receiving the report on the rice production, President Suharto instructed the three ministers to assure the public that the long drought would not endanger the nation's self-sufficiency in rice.

Philippines

Enrile Discusses Marcoses, Bases, Politics

HK0708094391 Manila Manila Broadcasting Company DZRH in Tagalog 0030 GMT 6 Aug 91

[Interview with Senate Minority Floor Leader Juan Ponce Enrile, by Joe Taruc at the DZRH studio in Manila on the "Liberty in Action" program—live]

[Excerpts] [Taruc] Mr. Senator, good morning and welcome again to the program. First of all, many are asking why you stood up yesterday in the Senate hall to ask the government to allow the return of the late President Marcos' remains?

[Enrile] You know Joe, that is not a new issue for me, because after the absolution of the racketeering charges against Mrs. Marcos in New York, I filed Senate Resolution Number 870 asking that Mrs. Marcos and her family, including the remains of the late president, be allowed to return to the country. That was a long time ago. I think it was even last year. Now, that issue resurfaced because the Aquino government is now allowing Mrs. Marcos to return by way of one-way travel documents, but leaving behind the remains of the late president in Hawaii. So I said that violates our Constitution. It is against the law of man and the law of God, against our customs and traditions as civilized individuals of this world, and against our Filipino traits.

[Taruc] Have you seen or read any possible reason the present administration may have regarding its continued travel ban on the remains of the late president despite the clamor for their return from different sectors?

[Enrile] I think this is a result of their [the government] ignorance. They look like dizzy shrimps in a tomato or lemon sauce. Which is why that is happening. They do not know what to do. They seem to be afraid. You know in other countries, their administration is the one persistent in having their exiled leaders return to their country so they can be punished. While this one is different. They are persistent in blocking their [Marcoses] return. They just want them to be left there [in Hawaii]. What is the result of that? First, the country is confused. Second, the Marcoses' so-called hidden wealth is being contested in the papers and not within the courts. So, even while our country keeps on spending money for lawyers, public relations officers, and intelligence officers, nothing is retrieved and "Juan dela Cruz" [term for Filipino] does not benefit. Therefore, it is right that Mrs. Marcos be allowed to come home so they can face the charges hurled against them. [passage omitted]

[Taruc] Mr. Senator, if we remember right, on the day the government decision to allow the former first lady's return came out, you explained something like there might be other possible reasons...

[Enrile, interrupting] That is true Joe, you know what happened there, I learned [changes thought] first, Executive Secretary Drilon announced that the Aquino government is requesting the United States extend the travel ban on the Marcoses. What I learned is that an U.S. Embassy official went to them [palace officials] and told them that the travel ban on the Marcoses can no longer be extended. We can no longer extend the travel ban because the U.S. grand jury would not like to anymore; and we no longer have any basis to detain Mrs. Marcos there, so it is up to you now. So the Aquino government panicked and the following day, in their desire to precede any pronouncement from the United States, they announced that they were allowing Mrs. Marcos to return. If the United States preceded their announcement and they followed them, they will look ridiculous and appear a puppet. So what they did was they went ahead of the Americans and announced that Mrs. Marcos could return. So they did a somersault; it was like a flip flapping [as heard]; so the executive secretary is having a hard time explaining to the people.

[Taruc] Okay, now based on the U.S. Government's actions and attitude toward the Philippines, can we say that their treatment of the Philippines has become lukewarm?

[Enrile] Since a long time ago. You know why, their [the government] perception of the United States today, that is why the Aquino administration is also confused... [changes thought] the Americans like the military bases very much but the present administration has no leadership to convince their comrades in the Senate to ratify the military bases treaty. Because of this, U.S. legislators, senators, and congressmen are saying that this administration has no leadership. Second, they say there exists a strong anti-American sentiment in the Philippines today, as a result of the detention of the Marcos family in the United States.

Because of this, they want Mrs. Marcos to leave the United States and go back to the Philippines.

[Taruc] Mr. Senator, earlier you mentioned something about the military bases. Can you please clarify to us the implications should the Senate refuse to ratify the bases treaty and the Americans have to pull out of the country. What will happen?

[Enrile] In this case, we should enforce the Constitution, which says that the military bases in the country can only stay until 16 September 1991 in the event no treaty is established for the continuous stay of these military bases. The way I look at it now, there will be no treaty approved for these military bases because most of the 22 senators who were on President Aquino's side are now against the military bases. So, it seems the treaty will not be ratified. Mrs. Aquino's leadership will be ruined in relation to this. Now, if these military bases were removed or if they are discontinued, Mrs. Aquino will have some problems because the Americans will say: We have an agreement which states that we can continue this on a year to year basis until you give us notice. But there is no valid notice served by the Aquino government to the American Government. So confusion would occur. It will be a mess.

[Taruc] What about in terms of financial benefits—things that we would lose in case the agreement is not ratified.

[Enrile] You know, I do not think the Americans will cancel our trade, our credit lines with other banks. Maybe the assistance, aid, their gifts to us would be cut and the wages of those working inside the military bases would be stopped because they would be losing their jobs. The cash component of $203 million figure will also be lost. But if you think about the $203 million, Joe, not all of it is considered rent because $100 million of it is allegedly aid. Aid means that they have the option whether or not to give it to us. So, their only cash obligation really is $103 million. This $103 million is not even enough to clean up Clark field, which they will abandon in that situation. So, nothing will really happen to us. True, they will give us money, but we take responsibility of cleaning up the mess they leave us. Then they want to come back when they want to because of this access.

[Taruc] Mr. Senator, many believe that if this agreement is not approved, our Armed Forces will be most affected because from the start up to now, it has been very dependent on the United States for their arms.

[Enrile] That is true and it is bad because our Armed Forces have appeared to be just a squad of the U.S. forces because it accepts whatever equipment—discarded equipment as old as that used during World War II—the United States gives. So, this is our Armed Forces today. It has poor equipment, rotten airplanes. We have no good planes. What we are using against the enemy are still the Tora-Toras, which were used during World War II. One more thing, Joe, we have been asking for money from the United States. Under the Aquino administration, huge sums of money have been given to them, which they should have used to modernize our Armed Forces. Where did that money go? For six years, about $600 million has been given to the Armed Forces for modernization. We should be seeing new airplanes, efficient helicopters, and ships. We should even have submarines. But there is nothing. So, where did it go?

[Taruc] So, you do not believe that the military bases treaty will be approved?

[Enrile] No, Joe. Even if Mrs. Aquino squeezes the ears, noses, and throats of her supportive senators, it cannot be done because their names are at stake. Like a senator from Cebu, who is now angry because his name has been identified as one of those who signed a survey against the bases. [sentence as heard]

[Taruc] Recently, President Aquino approved and has given the go signal for the implementation of the Taiwan fishing lane...

[Enrile, interrupting] That is another thing, Joe. Please pardon my language. But this is stupid. How can you forge an agreement with Taiwan when we have this so-called one-China policy? We promised we would only recognize them, but now, we are reaching agreements with one of its provinces. What are we? A province that can only enter into agreements with a province? And who will believe us in the future if we cannot adhere to our one-China policy. Then we allow the Taiwanese fishermen to fish in our waters and get all our fish from the Philippines. They will not only get our fish but also our coral in the Balintang Channel in Batanes. They will rob us of all of these. The people in Malacanang do not know what they are doing.

[Taruc] Many people from Batanes are saying that even without the agreement, there are still Taiwanese fishermen fishing in our waters.

[Enrile] That is true. Because our administrators are not doing anything. If they really want to secure our country, they should station two Tora-Tora in Batanes to patrol the area and if they see any Taiwanese junk boats, shoot them. Or maybe they can use our jets, since our jets are not being used anyway.

[Taruc] As a member of the Senate, what plans do you have to nullify the agreement or prevent its implementation?

[Enrile] If it comes to the Senate, it will not be approved, because this kind of agreement will not be approved by the Senate. It is void. Anyone who would implement it, will violate our Constitution. This should be studied by the solicitor general, secretary of justice, and the executive secretary. They should know this.

[Taruc] A senator is apprehensive about the possible PRC reaction.

[Enrile] There has already been a reaction. China said it will protest. Of course, it will surely protest because this violates our agreement with them. When we recognized the PRC and

they recognized us, we told them we will only recognize one China. That is the condition of our foreign relations and now, we recognize a province of China? That is not good. This is trouble. [passage omitted]

[Taruc] There is a question, Senator, from Lulu Borlaza of Sampaloc. It says: Senator Enrile, if you become president, what will your priorities be? What measures will you take in relation to the rebel soldiers headed by former Colonel Gringo Honasan?

[Enrile] What I will do first is to resolve the brownouts which is torturing your refrigerator. [laughter]. We will give amnesty to all of them.

[Taruc] Senator, we talked about politics earlier and many people, I think, have been intrigued and want to ask you, do you—I mean former Ambassador Conjuangco, Vice President Laurel—do you have a gentlemen's agreement which would oblige the unsuccessful candidate to support the other.

[Enrile] Yes, we have that Joe. First, we have a convention. Whoever is chosen by the Nacionalista Party to be the party's official candidate for the presidency, he will be supported by all of us. [passage omitted]

Effects of Base Treaty Rejection on Military

HK0608125891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Aug 91

[By Romy Gonzales from Baguio City]

[Text] The rejection of the Republic of the Philippines-U.S. Treaty by the Senate will have a big effect on modernization efforts of the Armed Forces of the Philippines [AFP]. This was strongly stated by General Lizandro Abadia, chief of staff of the Armed Forces of the Philippines, during the convocation of the core of professors of the Philippine Military Academy this morning, as it celebrated its golden anniversary, called "Effective Education for the Professional Armed Forces of the Philippines".

General Abadia said that according to the proposed treaty, the AFP will be given $250 million or 7.5 billion pesos for the purchase and maintenance of AFP equipment. He explained that should this be taken away in the event of a treaty rejection, the government must allocate 7.7 billion pesos as to maintain the current status or force of the AFP.

Abadia stressed that our legislators should ask our high ranking leaders of the Armed Forces how our capability to respond to national security threats can be affected.

[Abadia recording indistinct]

General Abadia clarified that he is not pro-American because he has always been nationalistic. At this time, we should be realistic, General Abadia added.

Meanwhile, the series of captures of high ranking leaders of the Communist Party of the Philippines-New People's Army [CPP-NPA] is a big blow to the communist movement. This was stated by General Abadia during a press conference which took place at the Philippine Military Academy this morning.

He said that the CPP-NPA is now having a leadership crisis because most of their high ranking leaders are being captured from the center [as heard].

According to Abadia, the democratization of Eastern Europe has had an effect on the downfall of the CPP.

Aquino 'Hopeful' Senate To Ratify Bases Pact

HK0708064491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Aug 91

[Text] Malacanang will still try to convince the Senate to ratify the new bases treaty. Executive Secretary Franklin Drilon said no plan has been formed for the bases withdrawal because President Aquino is still hopeful the Senate will ratify the treaty.

At the same time, Drilon confirmed the government will not push through its plan for a public consultation to know the people's opinion regarding the new treaty but it will instead carry out an information drive on the treaty. Drilon said this public information aims to explain to the people the merits or benefits which the country would acquire under the new bases treaty. The executive secretary clarified that a consultation is no longer needed because Malacanang has already consulted the senators on the issue several times in the past. The public information will be formally launched the moment the draft treaty is signed. The signing is expected to take place this month.

Asks Congress To Pass Resolution

HK0708105491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Aug 91

[Dick Sinchongco of DZRH Unit No. 6]

[Text] President Cory Aquino asked Congress to pass into law a resolution that will establish a Bases Conversion Authority that will pave the way for the implementation of the government's plan on Clark Air Base in Pampanga.

The president said in an interview that the government would already like to start the conversion of the Clark Base which the Americans have vacated.

The president made the request following a report by Raymundo Punongbayan, chief of the Philippine Institute of Volcanology and Seismology, that Mt. Pinatubo has started to calm down.

The government shelved its initial plan to make Clark Air Base into an international airport, because of the

great damage it incurred during the Mt. Pinatubo eruption. The Americans were forced to leave Clark because of the exorbitant amount of money they would need to spend in order to repair destroyed facilities in the said U.S. base.

Rejects Agreement for Extension

HK0708105891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Aug 91

[By Dick Sinchongco from Malacanang]

[Text] President Cory Aquino rejected a proposal asking the Philippines and the United States Governments to sign an executive agreement for the extension of the U.S. bases in the country. President Aquino stressed that the country's Constitution requires a treaty for the extension of the American bases. Executive Secretary Franklin Drilon said the government will abide by the Constitution regarding the needed treaty. This is Malacanang's reaction to the statement by U.S. Embassy spokesman Stanley Schrager that the United States wants to form an executive agreement for the extension of the U.S. bases. Schrager said the U.S. Government does not want to present a bases treaty to the U.S. Senate for ratification. The United States stressed that all the other agreements they have with other countries who host their bases were all executive agreements.

Senator Asks Court To Nullify Sea Lane Order

HK0708084891 Quezon City MALAYA in English 7 Aug 91 pp 1, 3

[By Romy Tangbawan and Carlito Pablo]

[Text] Sen Orlando Mercado (LP) [Liberal Party] said yesterday he will ask the Supreme Court today to nullify an executive order of President Aquino which opened two sea lanes to Taiwanese and other foreign fishing vessels headed for the South Pacific Ocean.

Mercado said Executive Order [EO] 473 violates provisions of the Constitution which protect and insure the use and exploitation of the country's marine and aquatic resources exclusively for Filipinos, especially small fishermen.

The Nationwide Coalition of Fisherfolk or Aquatic Reform composed of about 600,000 small fishermen assailed Malacanang's order as an "act of surrender of Philippine sovereignty."

The coalition also said here is no guarantee that Taiwanese and other foreign vessels passing through would not poach on Philippine waters.

EO 473 formalized an arrangement worked out last July 7 with Taiwan allowing its vessels to pass through Philippine waters. Mrs Aquino said, however, a document signed by Assistant Executive Secretary Roberto Lucila and Taipei officials covering the arrangement, was a "record of discussion" and not a fishing agreement.

Sen Aquilino Pimentel (PDP-Laban) [Pilipino Democratic Party-Nation's Strength] said Malacanang has failed to address the issue of whether or not the country has a fishing pact with Taiwan.

Pimentel said the Palace is silent on an item in the July 7 document, titled Agreement on Sea Lane Passage, which authorizes Taiwanese fishing vessels to enter Philippine ports to obtain supplies and service, repair vessels, unload, ship and transship clothes, and discharge and recruit crews.

Mercado said that by providing "innocent passage" to Taiwanese vessles, the executive order paves the way for Taiwanese fishers to poach on Philippine waters.

"EO 473 provides lip-service protection to our interest considering the poor state of the Navy and Coast Guard, which is tasked to implement the law," he said.

"While the vessels would not be allowed to fish in Philippine waters and stop at any point in the vessels' transit, except only in cases of ship repair, supply replenishment and emergency situations, this may be true only in paper. The reality is that we may be legalizing their illegal fishing in our waters," he said.

Pimentel opposed a suggestion made by Taipei that Filipino fishermen lease boats from Taiwanese nationals to work in Philippine seas and later sell products to their lessons.

He said the products may possibly be sold back to Filipinos, after they are processed in Taiwan.

"This would be another fillip to the Anti-Dummy Laws that we have," Pimentel said.

Pimentel lamented that Philippine representatives led by Lucila "mishandled" the talks with Taiwan from the start which he said led to the signing of the document last July 7.

China subsequently denounced the document as a violation of the one-China policy.

Santiago Orlina, chairman of the Nationwide Coalition of Fisherfolk for Aquatic Reform, said that it is a non-issue among small fishermen whether the sea lanes were opened to foreign vessels through an agreement between Manila and Taipei or through an executive order issued by President Aquino.

The Department of Agriculture said the executive order is expected to encourage bigger Taiwanese investments in the country's agriculture and fishery sectors.

Abadia Suspends Operations Against Rebels

HK0608130491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Aug 91

[By Fernan Imberga]

[Text] General Lisandro Abadia, the Armed Forces chief of staff, has ordered the suspension of all military operations against the officials and members of the

ultra-rightist group today, despite the foiled mass jailbreak by Reform the Armed Forces Movement-Soldiers of the Filipino People-Young Officers Union [RAM-SFP-YOU] leaders which resulted in the escape of ex-Marine Captain Juancho Saban from Camp Aguinaldo. At the same time, Abadia consulted with officials at the Philippine National Police intelligence units for the implementation of his order. Abadia issued this directive so as not to jeopardize the effort to negotiate with the military rebels headed by ex-Colonel Gringo Honasan. Abadia also suspended the operation against escapee Captain Saban so as not to ruin the planned talks with Honasan's group. The sudden order, which surprised military officials, took effect last midnight and will expire tomorrow, at which time any operation against the rightists will only resume in Metro Manila. The chief of staff did not explain why he declared the temporary suspension of the operations against the rightist rebels despite the escape by Captain Saban and the attempt to escape by four other RAM-SFP-YOU leaders. Abadia is in Baguio City where he is the guest speaker at the golden anniversary of the Philippine Military Academy corps of professors in Fort Del Pilar, Baguio City.

Mass Surrender Expected With Pinatubo Eruption

HK0608130291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 6 Aug 91

[By Andy Verde]

[Text] Suspected members of the Communist Party of the Philippines-New People's Army [NPA] have started arriving in the provinces of Nueva Ecija and Pangasinan since Mt. Pinatubo's eruption. A mass surrender is expected due to the hardships they have been encountering after their properties were destroyed and buried by volcanic debris. This was stated by Brigadier General Orlando Soriano, the commanding general of the 2d Infantry Division in Fort Magsaysay, Palayan City. According to General Soriano:

[Begin recording in English] We expect that within a month or two, there will be a mass surrender of the NPAs, especially those who are actually affected by the Mt. Pinatubo. [end recording]

Thailand

USTR Accepts AFL-CIO Request

BK0708014191 Bangkok BANGKOK POST in English 7 Aug 91 p 1

[Text] The subcommittee on Generalised System of Preference (GSP) of the US Trade Representative [USTR] has agreed to accept for full examination the American labour union AFL-CIO's request for the USTR to suspend in its entirety Thailand's duty-free status under the GSP.

But the subcommittee did not grant the case an expedited status as requested by the AFL-CIO, which could have considerably hastened the USTR reviewing process and shortened its timetable.

The AFL-CIO filed its petition against Thailand on June 3 under the GSP annual review process.

The largest American labour union, which has seen its political clout and influence diminishing over the past decade, contends that Thailand has violated the internationally-accepted workers' rights standard.

According to GSP legislation, the USTR is required to suspend the duty-free privileges of a recipient country under the GSP programme if it can be established that the recipient country does not accord its workers their appropriate rights.

Under the regular GSP annual review process, the GSP subcommittee of the USTR will report its decision to the inter-agency Trade Policy Subcommittee recommending which petitions are to be considered for full examination in the annual review. The latter, acting on the subcommittee's recommendations, will make the announcement of the USTR's decision in the Federal Register around mid-August.

After the announcement is made between September and October the USTR will hold public hearings and invite the submission of written briefs and rebuttals to allow all parties concerned to explain or clarify their positions. Then, the GSP subcommittee will conduct the first level of inter-agency consideration and will submit for further review the result to the Trade Policy Review Group [TPRG] comprising officials at the undersecretary level.

For non-controversial cases, the TPRG will make recommendations to the US president regarding what action should be taken. For controversial cases or cases on which decisions cannot be made at the TPRG level, the Cabinet-level Trade Policy Committee will convene and make recommendations.

The AFL-CIO cited the National Peace Keeping Council's Announcement No. 54 on certification requirements for union advisers, the Interior Ministry's requirement that any union convention must have the ministry's approval, and the State Enterprise Employee Relations Law on April 15 as attempts of the Thai Government to undermine and destroy the country's labour movement and workers' rights to organise themselves for collective bargaining.

Thai exports to the US under the GSP programme last year amounted to $1.2 billion or a quarter of Thailand's total exports to the US. Thailand ranks third behind Mexico and Malaysia in the value of goods entering the US under the GSP programme.

Foreign Patent Holders Given More Time

BK0708035191 Bangkok BANGKOK POST in English 7 Aug 91 p 28

[Text] The committee reviewing Thailand's intellectual property rights protection has agreed to provide more time for foreign patent holders to register their products in Thailand.

A change to section 6 of the Patent Act's draft amendment meant companies would have up to 18 months to register their products in Thailand after they had been registered elsewhere, instead of the 12 months allowed under a previous amendment.

The committee, chaired by Commerce Ministry Permanent Secretary Phatchara Itsarasena, has completed its draft amendment.

An informed source on the committee told BUSINESS POST the relaxation was likely to help Thailand avoid trade retaliation from the United States in its long-running dispute over pharmaceutical patents. But other provisions in the draft amendment would protect Thailand's interests, the source said.

Although the change meant more drugs would be eligible for patent protection, local drug prices were not expected to rise, he said.

"Several provisions were included in the draft, especially a price monitoring board, which will protect the country and the poor," he said.

The latest amendment included a chapter detailing pricing safeguards for pharmaceutical products.

A price monitoring board, chaired by the Public Health Ministry permanent secretary, would be established to prevent patent holders unfairly boosting prices. Patent holders would have to inform the board of their prices and the board would be able to force them to drop their prices and take legal action against them.

The source said the committee had decided to retain provisions under Section 46 of the Act which allowed people other than the patent holder to apply for a compulsory licence if patented goods had not been produced or sold in the country within three years of the issue of the patent, or had been sold at unreasonably high prices. But people wishing to receive a compulsory licence would have to negotiate with the patent holder before seeking the licence.

Under Section 55 of the Act, the government would also be able to cancel a patent six years after its issue if it appeared—despite the issue of a compulsory licence—a product was still being sold at high prices or was not meeting demand. But an investigation should be undertaken to ensure there were grounds for cancellation, the committee decided.

The government may decide not to cancel a patent if the company holding the patent proved it could not produce the drugs for a legitimate reason, such as financial difficulty.

The source said the latest amendment was expected to be tabled to Commerce Minister Amaret Sila-on this week for further consideration before submission to the Economic Scrutiny Committee.

Phatthaya To Host SNC Talks 26-28 Aug

BK0708052791 Bangkok THE NATION in English 7 Aug 91 p A2

[Text] The Cambodian warring factions agreed to switch the venue for their next peace talks scheduled for Aug 26-28 from here to the resort city of Phatthaya, Foreign Ministry's spokesman Sakthip Krairoek said yesterday.

It was the second time that Cambodia's Supreme National Council (SNC) which united the Phnom Penh and the tripartite resistance coalition changed the venue for their talks hosted by the Thai Government.

They earlier changed the venue for their first meeting from Thailand's northeastern province of Surin to Phatthaya. The council agreed during its first meeting in Phatthaya in June to meet again in Bangkok.

Sakthip did not give reasons for the change of mind but informed sources said former Cambodian monarch Prince Norodom Sihanouk preferred Phatthaya as it is considered a symbol of success.

The Phatthaya meeting brought unprecedented progress including an agreement to hold general cease-fire and the application of a moratorium on foreign arms supplies.

Sakthip said the SNC meeting would be followed by a senior-level meeting of five permanent members of UN Security Council set for Aug 29-30 but the venue for this is yet to be fixed.

Asa Greets SRV Counterpart on Anniversary

BK0608130291 Bangkok Voice of Free Asia in Thai 1030 GMT 6 Aug 91

[Text] Foreign Minister Asa Sarasin sent a message of greetings to Vietnamese Foreign Minister Nguyen Co Thach on the occasion of the 15th anniversary of the establishment of diplomatic relations between Thailand and Vietnam on 6 August. He extended his best wishes from the Thai Government and people to the Vietnamese Government and people. In addition, he also expressed his satisfaction over the progress of relations between the two countries, which is in line with changes in the world and this region. He believed that close cooperation between Thailand and Vientam will not only be beneficial to the peoples of the two countries but will also be conducive to regional peace, stability, and progress.

SRV Frees Fishermen, Boats Without Ransom

BK0608143991 Bangkok Army Television Channel 5 in Thai 1230 GMT 6 Aug 91

[Excerpt] Vietnam has released 162 Thai fishermen free of charge, as well as five fishing boats for which a ransom of more than 1 million baht each was paid by their owners. Most of the released fishermen had been detained in Hau Giang, Vietnam for more than one year. The boats, released on 3 August, were: Chai Prasoet, Sin Amnuai 3, Sin Amnuai 31, Thanomsak Chainari, and Charoenphon. The Navy ship Takbai discovered the freed boats carrying the freed fishermen in the Gulf of Thailand and escorted them to shore. Ninety-seven of the fishermen returned ashore in Songkhla, and the rest came to shore in Pattani, Samut Prakan, and Chanthaburi Provinces. The freed fishermen did not have to pay any fine or ransom because Vietnam would have to shoulder the burden of feeding and sheltering them if detention continued. It is anticipated that more detained Thai fishermen will be released in the near future. [passage omitted]

Data on Detained Fishermen

BK0708013191 Bangkok BANGKOK POST in English 7 Aug 91 p 7

[Text] Vietnam for the first time has provided firm information on the exact number of Thai fishermen jailed in the south of the country.

Quoting a report from the Thai Embassy in Hanoi, Foreign Ministry spokesman Sakthip Krairoek said 27 Thai fishermen from three trawlers are being held in Hao Giang Province, 60 from six trawlers in Kien Giang and 31 from four vessels in Cuu Long.

The spokesman said this information followed Thailand's persistent call for Vietnam to help locate the fishermen. Thailand has no diplomatic representative office in the south, where many Thai trawlers had been seized and crewmen detained.

Mr Sakthip said officials of both sides are wrapping up final details on setting up a Thai-Vietnamese joint commission, which could be activated when Foreign Minister Asa Sarasin visits Vietnam.

If Vietnam continues such gestures of goodwill, stronger and higher-level exchanges are possible starting with Mr Asa's visit, the spokesman said. Yesterday was also the 15th anniversary of Thai-Vietnamese relations.

Diplomat Says 5 Fishermen Killed in Bengal Bay

BK0708074491 Bangkok NAEO NA in Thai 7 Aug 91 p 2

[Text] According to news reports from Dhaka, the 6 August issue of the state-run newspaper BANGLADESH TIMES quoted official sources as saying that a Bangladeshi Navy gunboat fired on a flotilla of Thai trawlers poaching near the Bangladesh coast, thus causing a gun battle in the Bay of Bengal last Sunday [as published]. As a result, a Thai fisherman was killed and one wounded. A Thai trawler with 24 crew was seized by Bangladeshi authorities, while the other six boats escaped.

Prachuap Kowitkritsadakun, charge de affairs of the Thai Embassy in Bangladesh, disclosed that the incident took place on 2 August. He said he was informed that as a group of Thai trawlers was encroaching on the Bangladeshi territorial waters, the Bangladeshi Navy boat tried to capture them, but they refused seizure. The Bangladeshi boat therefore decided to fire on the trawlers.

Prachuap reported he was informed that three Thai fishermen were killed in the gun battle and another two wounded fishermen died later at the Chittakong port. The Thai Embassy had sent its officials to visit the Thai crewmen, who were detained in Chittakong. However the name of the Thai trawler seized was still unknown, he said.

Sakthip Krairoek, director general of the Information Department of the Foreign Ministry, told reporters that the Thai Foreign Ministry will have to investigate the incident if the Thai fishing trawlers really encroached on Bangladeshi territorial waters. The investigation was currently under way, he said.

Banks Plan To Open Branches in Vietnam

BK0708035291 Bangkok BANGKOK POST in English 6 Aug 91 p 15

[Text] At least six Thai commercial banks, attracted by the growing Vietnamese economy, have shown interest in running banking businesses in that country.

According to a Thai Farmers Bank report, the Thai banks had agreed to become correspondent banks of Vietnam's Bank for Foreign Trade and planned to open branches and representative offices in the country.

The banks included Thai Farmers Bank, Krung Thai Bank, Bangkok Bank, Bank of Ayuthaya, Thai Military Bank, and Union Bank of Bangkok.

The Vietnamese Government had been attempting to improve the country's financial and banking system following increasing interest from foreign countries wanting to run businesses there.

All banks in Vietnam were owned by the government, such as the National Bank of Vietnam, Bank for Foreign Trade of Vietnam, Bank for Agriculture, and Bank for Trade and Industry.

The government recently decided to allow joint ventures between Vietnamese and foreign banks, while promoting the establishment of foreign bank representative offices in Vietnam.

The Vietnamese Government had tried to improve the efficiency of banks in the country by dividing them into central and commercial banks, and had given them more freedom in their operations.

The special purpose banks which had been named commercial banks now were allowed to expand their business to real commercial operations, such as the provision of loans for investment projects. Private businessmen also were allowed to hold shares in commercial banks.

A number of foreign banks had done business with the Central Bank of Vietnam because of rapidly-growing trade with other countries including those planning to become correspondent banks.

Seven foreign banks already had established representative offices in Vietnam. One of them was the Thai Military Bank.

The first joint venture was between the Bank for Trade and Industry of Vietnam and Bank Summa of Indonesia. The two would form a new bank, Indoniva Bank, in Ho Chi Minh City and planned to open branches in Hanoi, Tokyo and Jakarta.

Indoniva Bank would be the pioneer in a new era of Vietnamese commercial bank development.

Cabinet Awards Low Tariffs on Goods From Laos

BK0708020391 Bangkok THE NATION in English 7 Aug 91 p A2

[Text] The Cabinet yesterday awarded special low tariffs for goods imported from Laos.

The proposal to award the Generalized System of Preference rates to the landlocked nation was submitted by the Finance Ministry.

Laotian exports into Thailand which now face duties of higher than 20 percent will be reduced to 20 percent.

The list of products includes maize, sesame seeds, castor seeds, coffee beans, garlic, cotton and cotton seeds, jute, cashew nuts, herbs, bones, animal skin and horns.

Board Endorses Promotion of Foreign Investment

BK0708072991 Bangkok BANGKOK POST in English 7 Aug 91 p 19

[Text] The Board of Investment [BoI] yesterday endorsed an overseas investment promotion policy. It also suggested directions and guidelines to support Thais wanting to invest abroad. The suggestions are:

—To encourage Thais to get involved, in projects beneficial to Thailand's economic development, to keep or expand existing overseas markets, to seek raw-material sources overseas and to develop technology from their overseas sources.

—To map out overseas investment opportunities and feasibility studies for Thais wanting to venture abroad, and to carry out studies on various regulations and rules, tariff rates and other relevant information.

—To organise investment missions to allow Thai investors to meet overseas government agencies or business concerns, and to coordinate Thai Government agencies to help Thai investors with investment overseas, such as investment protection and duplicated tax waivers.

The BoI has endorsed expansion to Vietnam, Laos and Cambodia as sources of raw materials for Thailand and as a means of expanding Thai markets.

A special committee will be set up, with the BoI Office to act as a secretary, to recommend policies and measures to promote overseas investment.

'Crucial Areas' of Economic Plan Need Defining

BK0608023991 Bangkok THE NATION in English 6 Aug 91 p B1

[Text] No major changes in economic and social targets are expected in the draft seventh plan, but top policy planners said five crucial areas still need to be defined and agreed upon at the final meeting of the National Economic and Social Development Board's [NESDB] main committee on Wednesday and Thursday.

The five areas are productivity in the farm sector, measures to boost domestic savings, environmental protection, the country's finance policy and tax restructuring, according to officials involved in the drafting of the document. The plan will provide the basis for directing the country's economic and social development in the next five years.

The plan sets it a target to increase farm productivity by one per cent per year, or by 3.4 per cent at the end of the five-year plan, said Dr Suphachai Panitphakdi, chairman of the macroeconomic planning group. However, questions remain as to how the target will be achieved and sustained.

Another source in the NESDB said that the plan also aims at increasing domestic savings by 4 percent of GDP by the end of the plan. Details of incentive and disincentive measures for household savings have yet to be discussed.

In addition, the plan has already dropped the introduction of the polluter-pays principle as one of the targets, but retained environmental protection and clean-up as a priority.

The reason for this was that pollution and the environment are two complex issues and there is no clear concept as yet as to how all polluters can be integrated into the system. The government may start pollution control programmes in regards to air pollution.

On income distribution, the plan sets a priority to introduce property and inheritance tax during the five-year term.

On the financial policy, the Bank of Thailand has been criticized by many members of the committe, including

Suphachai, for lacking a clear direction on handling the country's monetary situation. Aside from interest rates, the central bank was reportedly attacked by MP's Office Minister Phaichit Uathawikun for failing to come up with a definite plan.

The Seventh National Economic and Social Development Plan (1992- 1996), which wil be implemented at a time when Thailand's society and economy are in transition, will determine whether the country can survive this take-off stage and sustain its economic performance, said two top policy planners.

According to Dr Bunyaraks Ninsanana, deputy secretary-general to the Prime Minister and a key planner at the NESDB, the draft master plan will address two main issues: The country's high economic growth and how to manage the opportunities and challenges coming with it.

Instead of being target- or issue-oriented, as was the case in the first six plans, the seventh master plan combines the two elements and concentrates on managing Thailand's economic growth in transition.

"Thailand is on the stage of taking off. We may collapse as Latin American countries did in the 70s or continue to prosper as the Asian newly industrialized countries now. It all depends on this stage," Bunyaraks said.

The agriculture sector, whose contribution to the whole economy has shrunk significantly in past years, is predicted to face a crisis in the next five years as Thailand continues to lose its competitiveness in traditional crops such as rice, tapioca and maize.

More farmers are leaving the farms to work in the industrial sector, which also needs structural transformation. As the country becomes more industrialized, wages are rising, making labour-intensive industries less attractive.

Nevertheless, problems in the agriculture sector are more actute than those facing industries. The massive migration of young people to urban centers, particularly Bangkok, has resulted in the rural sector losing its productive and innovative workforce, according to Bunyaraks.

To induce structural changes in the farm sector, the government will have to make available long-term credit to farmers so that they have a tool to work with if they want to change the types of crops they grow, or to opt out of the farm sector completely.

So far, the government Bank for Agriculture and Agricultural Cooperatives has stressed short-term loans as a stop-gap measure for cash-strapped farmers.

With the huge fiscal surplus, the government is now in a position to initiate long-term funding schemes to help farmers obtain long-term credits for this purposes.

Chatchai Crony Given Interior Ministry Post

BK0708020191 Bangkok THE NATION in English 7 Aug 91 p A1

[Text] Former Interior Permanent Secretary Anan Anantakun, purged in the Feb 23 coup for his alleged close ties with ex-Premier Gen Chatchai Chunhawan, yesterday made a dramatic comeback to the Interior Ministry as leading candidate Chamnan Potchana was given the consolation prize of C-11 adviser attached to Government House.

Due to retire next year, Chamnan, who has been seniormost deputy permanent secretary for the interior until the surprise appointment, will also be seconded to the Interior Ministry to serve under Interior Minister Gen Itsaraphong Nunphackdi as chairman of his screening committee.

In the same sweeping reshuffle, approved by the Cabinet yesterday and due to become effective on Oct 1, another candidate to the top Interior Ministry post, Ari Wongaraya returned to the post of deputy permanent secretary after serving as director general of the Land Department while Deputy Permanent Secretary Chuwong Chayabut was given the important post of director general of the Local Administration Department.

The reshuffle also saw many governors close to Chat Thai and Muan Chon members moved from their provinces. Most of whom were appointed to inactive posts as inspectors general or to less important ones.

The "purge" of the previous coalition's connections includes the following transfers:

—Labour Department Director General Prasong Rannanan, who is close to former Deputy Interior Minister Watthana Atsawahem as Pathum Thani governor.
—Saraburi Governor Aphai Chanthanachulaka, who is close to Chat Thai advisory chairman Pol Gen [Police General] Praman Adireksan, as Phitsanulok governor.
—Prachinburi Governor Pramuan Rutchanaseri, who is close to Chat Thai former Prachinburi MP [member of parliament] Sano Thianthong, as director of policy and planning.

And those reduced to inspectors general are:

—Rayong Governor Suchat Thammongkhon, who is a distant relative of Praman's wife, Khunying Charoen.
—Suphan Buri Governor Somnuk Koetket, who is close to Chat Thai Secretary General Banhan Sinlapa-acha.
—Petchaburi Governor Anek Rochanaphaibun, who is close to former Chat Thai MP for the province Piya Angkhinan.
—Buri Ram Governor Phayon Phirenthon, who is close to the former Buri Ram MP of Muang Chon Party.
—Kanchanaburi Governor Khongsak Liumanomon, who is alleged to be another Chat Thai connection. Khongsak was also reportedly reprimanded for the daring burning of the Saiyok district office allegedly to

destroy falsified land title deeds and other evidence of widespread encroachments on national forest reserves in the district.

Senior officials demoted during the previous administration were also rehabilitated in the reshuffle. They include:

—Inspector General Benchakun Makarachai, who was removed from the post of Chonburi governor when Banhan was interior minister, was promoted to the rank of deputy permanent secretary.

—Inspector General Kitti Prathumkaeo, formerly moved from Chachoengsao by Banhan, as Nakhon Si Thammarat governor.

—Director of Policy and Planning Suchan Phongr aa, moved from Chumphon when Banhan was at the helm of the ministry, as Phet Buri governor.

Other highlights in the reshuffle include the appointment of Pathum Thani Governor Yuwarat Kamonlawet, who is known to have friendly relations with the military, as director general of the Labour Department, and the transfer of Sukhothai Governor Thawat Makaraphong to Chonburi apparently because of his previous record against local tycoons.

Anan's return to the Interior Ministry was good news for the so-called Sing Daeng (Red Lions) graduates from Thammasat University's Faculty of Political Science. For a long time until Chatchai transferred Anan from Government House to take over as interior permanent secretary, the Interior Ministry has been dominated by graduates from Chulalongkon University's Faculty of Political Science who call themselves Sing Dam (Black Lions in Thai).

Outgoing Permanent Secretary Charoen Chit Na Songkhla, who was just appointed deputy interior minister, is however a Thammasat graduate and is said to support Anan's return.

Anan's appointment reportedly had the support of Premier Anan Panyarachun and Deputy Premier Michai Ruchuphan, among others.

But the premier said yesterday it was his interior minister's decision to nominate Anan. He denied there had been extensive lobbying for the top interior post.

Michai also denied having exerted any influence for Anan's return.

Bitterly complaining against the reports that he was behind the surprise appointment, Michai said he did not have the power to do so. "I feel it is unfair to me. It seems that I am blamed for everything these days," said Michai, who came under fire from student activists and critics for his role as chairman of the Constitution Drafting Committee.

Vietnam

Hanoi Radio Comments on Photograph of MIAs

BK0608121891 Hanoi Voice of Vietnam in English 1000 GMT 6 Aug 91

[Station commentary]

[Text] The fate of three American pilots shown in the photograph publicized recently in Washington has been cleared up by Vietnam and the United States. Correct conclusions have been drawn by the two sides on other American servicemen reported missing in action in the Indochina war. On this issue, our radio has this comment:

Last week, a U.S. delegation visited Vietnam to study the fate of the three American pilots shown in the picture which has been publicized in Washington. Vietnam has created all favorable conditions for the delegation to carry out its mission. The delegation visited places where American aircraft had crashed and pilots had been shot down. American MIA specialists were also shown to the camp where American prisoners of war had been kept. They met with and had personal interviews with responsible persons there and studied each plan and each house in the camp.

At Tien Lanh re-education camp in the central province of Quang Nam-Danang, the American specialists made careful studies of the photo of three American pilots. They then said that they found no evidence proving that the three Americans are still alive.

Some U.S. officials also affirmed that at present no Americans are being detained in Vietnam. Mr. Garnett Bell, head of the U.S. Missing in Action Office, has made it known that the United States has found no evidence of any American reported as still alive in Vietnam. Speaking at the press conference on the White House last Friday, President George Bush gave an official assessment on the fate of American GI's in Indochina. He affirmed that there is no clear evidence showing that American prisoners of war are still alive in Indochina. Worthy of note is that during the search for the fate of American servicemen reported missing in Indochina war, U.S. officials have received active and goodwilled help from the Vietnamese side. They were satisfied at Vietnam's coordinating efforts in settling the missing-in-action issue. The head of the U.S. delegation Mr. (James Coil), after interviewing a guerilla commander in Hong Thuy hamlet, Quang Binh Province, said that the documents given by the Vietnamese side really contributed to his research. He highly valued Vietnam's help on the search for American servicemen reported missing in the Indochina war.

Following those positive activities of Vietnam and several delegations of American specialists, the photograph of three U.S. pilots and follow up photos are turned to fake [as heard] and the news report saying that they are

still alive is merely an allegation. Missing-in-action families have realized the ill-intentioned purposes of the supplier of those photos. U.S. Defense Secretary Dick Cheney called those people immoral who played with the suffering of the missing in action families for money making. President George Bush drew an exact and humanitarian conclusion that those who used deceptive tricks to encite the hope of MIA families should stop their acts.

Deputy Foreign Minister Leaves for Beijing

BK0708081291 Hanoi VNA in English 0542 GMT 7 Aug 91

[Text] Hanoi VNA August 6—Nguyen Dy Nien, member of the Party Central Committee and deputy foreign minister, left here today for a Sino-Vietnamese meeting at the deputy ministerial level to be held in Beijing on the two countries' relations and other matters of common concern.

He was seen off at the airport by First Deputy Foreign Minister Dinh Nho Liem and Chinese Charge d'Affaires a.i. Li Jiazhong.

Soviet Central Committee Plenum Viewed

BK0608033991 Hanoi Voice of Vietnam in English 1000 GMT 29 Jul 91

[Station Commentary]

[Text] The plenary meeting of the Central Committee of the Communist Party of the Soviet Union [CPSU] closed on 26 July after 2 days' sitting.

The development of the plenum of the CPSU Central Committee held in Moscow on 25-26 July was beyond the prediction of the world observers. The first surprise was that it took place in an atmosphere of (?fervor) full of a high sense of responsibility of the Soviet Communists for the state of the country. Soviet leaders have cast aside their differences and disputes to discuss urgent problems of the country. They were unanimous on important agreements. They adopted a resolution on the draft party program and tasks of the party organizations. They considered the draft program put forth by the program commission headed by party leader Mikhail Gorbachev an acceptable basis for finishing a discussion within the party.

The second important unanimity was that the Soviet Communists decided to convene the 29th extraordinary congress of the party in November or December this year. Especially there was a common voice of agreement in protests against Russian President Boris Yeltsin's decree on the termination of the activities of organizational structures of political parties and mass movements in the state bodies in this biggest republic of the Soviet Union.

These results have made contributions to defending the unity of the CPSU. In the current complicated situation in the country that unity of the Soviet Communists helps the party stand firmly in these serious trials. The period from now to the 29th extraordinary congress of the CPSU is full of difficulties. In the coming days the party continues to steer its boat to achieve an official party program.

Many party leaders also affirmed that the new party program must get rid of the conservative theories. Party General Secretary Mikhail Gorbachev also said that the new party program must be theoretically and politically matured so that the words socialism, democracy and progress can be written on its banner. Whatever the content is, it is hoped that the new program of the CPSU should become a reliable program of action to maintain the unity and active role of the party in carrying democratic reforms and ensure that the CPSU is the most realistic and important force to bring the country out of the crisis.

The results obtained at the plenum of the CPSU Central Committee was one of the important factors helping the party meet the goals and aspirations of the Soviet Communists and people.

Radio Dicusses Oil Extraction Potential

BK0608044291 Hanoi Voice of Vietnam in English 1000 GMT 2 Aug 91

[Text] A U.S. mineral resources expert has estimated that Vietnam might be producing 65,000 barrels of crude oil per day or at least 200,000 barrels at the end of the century or early the next century.

In an interview with Asia-Pacific Briefing Center, Charles Johnson, minerals economics research associate with the resource program, East-West Center, Hawaii, estimated that Vietnam could be a middle-ranking oil producer in 10-15 years time.

He said: Of the present three oil fields of Vietnam, Dai Hung is the largest with possible reserves of between 300-600 million barrels. Next comes Bach Ho with between 175-300 million barrels, and Rong may have 100-150 million barrels. The combined reserves of all the three are estimated between 575-1,050 million barrels.

Johnson said he believes production might rise to 100,000 barrels per day in 1991 from 55,000 barrels in 1990. He added that the low sulfur content of Vietnam's oil makes it very attractive in countries trying to lower their sulfur emissions.

On Vietnam's refining capacity, Johnson said it is small at present but in production-sharing joint ventures with Shell of the Netherlands and Total of France Vietnam could increase its oil refining capacity to 120,000 barrels per day by the mid-1990's.

Japanese Trading Corporation Opens in Hanoi

BK0608072291 Hanoi VNA in English 0608 GMT 6 Aug 91

[Text] Hanoi VNA August 6—Nichimen Corp., one of the leading trading corporations in Japan, opened an office in Hanoi on August 3.

Earlier it set up a similar office in Ho Chi Minh City.

The corporation has been doing business with Vietnam for many years, chiefly in the textile industry. It has formed joint ventures with Viet Thang Vimytex, Dong A, Vinatexco-Three textile factories and with the sugar refineries of Binh Duong and Quang Ngai.

Nichimen Corp. is also keen on arts and crafts and farm and marine products. Its turnover in Vietnam last year totalled US dollars 9 million.

Joint Fisheries Venture Founded With Thailand

BK0708082491 Hanoi VNA in English 0541 GMT 7 Aug 91

[Text] Hanoi VNA August 6—Sowesfood-Thaipochana, a Thai-Vietnamese joint venture in fisheries and in processing maritime products for export was founded recently in the seaside town of Vung Tau.

The joint venture brings together the Southwest Maritime Services Company, the Thuan Hai-state-run fishing enterprise, the Cuu Long Maritime Product Exploiting Enterprise and the Thaipochana Food Cannery of Thailand. It has a prescribed capital of US dollars 9.48 million of which the Vietnamese partners contribute 43 per cent in trawlers and premises. The Thai side contributes 57 per cent in trawlers and fishing equipment.

The joint venture with a duration of 10 years will turn out canned food and fish meal for domestic use and export.

Vo Van Kiet Reports on Socioeconomic Situation

bat[Hanoi Radio]

BK0608071791 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 Aug 91

["First part" of report by Vo Van Kiet, first vice chairman of the Council of Ministers, delivered at the 5 August plenary meeting of the ninth session of the eighth National Assembly concerning the socioeconomic situation in the first half of 1991 and the tasks of the second half of 1991—read by announcer]

[Text] Dear Presidium members, dear National Assembly deputies: On behalf of the Council of Ministers, I would like to report on the socioeconomic situation in the first half of 1991 and the pressing socioeconomic problems of the second half of 1991. Since all the socioeconomic tasks are now being implemented, in this report the Council of Ministers will only present the socioeconomic problems that are of the most concern to us.

Dear deputies, 1991 is the first year of the 1991-95 five-year plan and also the year in which we started implementing the strategy of socioeconomic stabilization and development, continuing until the year 2,000. This is a very important year.

From the beginning of this year—leaving aside any favorable conditions—we have been looking at the special problems of 1991. Besides the existing problems, changes in international economic relations are the most prominent ones. This is the first year in which concessionary loans from the Soviet Union—in the spirit of assistance—that we used as a reserve for the payment of goods and materials to balance our trade deficit have ceased. The exchange of goods is to be done according to market mechanisms on the principle of an export-import balance, with purchases and sales being effected at international prices with convertible currencies.

We have had to transfer a considerable amount of trade operations from traditional markets to new ones. This requires time and will immediately have a great impact on the export of goods and the import of materials essential to domestic production. Efforts have been made to reduce the negative influence of the prviously stated changes in our international economic relations and to maintain normal economic activities and a stable social life. In effect, in the first six months we have had to procure for ourselves supplies, raw materials, and capital from many sources and markets to ensure the needs of economic development. However, many difficulties remain and this situation will continue for a long time to come.

Then, there has also been an unexpected difficulty—that is, the abnormal weather that caused heavy damage to agriculture in the last winter-spring rice crop in many northern localities. This directly affected the lives of the peasants and had a considerable effect on the food situation throughout the country, causing a sharp fall of rice exports and a drop in the foreign exchange reserve for the import of materials and goods.

The state budget has not only lost a considerable amount of revenues but has also had to cover large unexpected expenses to overcome the consequences of the natural disaster. These expenses have further strained the already limited budget. The above-mentioned difficulties have greatly affected the implementation of the first half-year plan. We should carefully analyze them in order to correctly evaluate the results achieved and to clearly see the problems that will need constant attention in the days ahead.

Here following are some of the main aspects of the socioeconomic situation of the first half-year.

Dear deputies: First of all, I would like to report on some of the main issues of the socioeconomic situation in the first half of this year.

In agriculture, the area of winter-spring rice increased by 4.1 percent compared with last year. Supplies and energy

were sufficiently secured for production. In the south, although brown planthoppers caused a decrease in productivity, rice output still increased 270,000 tonnes compared with the 1990 winter-spring crop, while in the north it dropped heavily—by 50 to 70 percent in some localities—by more than one million tonnes.

The main and direct cause was unfavorable and complicated weather developments. It was regrettable that in providing leadership over production, we could not foresee all the weather developments and did not provide close guidance for planning the allocation of rice varieties and scheduling crops.

With a view to compensating for heavy losses in the winter-spring crop season, the council of ministers issued guidance for implementing urgent measures, such as encouraging the expansion of area for vegetables and secondary food crops and the planting of one extra rice crop in those areas where losses have been incurred. It provided help in terms of seeds and capital to expand the area of summer-fall rice beyond the planned norm and to increase it by 12 percent compared with 1990. The 10-month rice was transplanted to 43 percent of the planned area. Sea products continued their steady rise, and the fish catch increased by 3 percent. The shrimp-rearing acreage increased by 21.4 percent compared with the same period last year.

Noteworthy was that pig herds decreased by 6.2 percent, mainly because of shortages and the exorbitant prices of feed.

Industrial production increased by only 2 percent compared with the first six months of 1990, but some main products increased substantially: Crude oil by 26 percent, phosphate fertilizer by 35 percent, nitrogenous fertilizer by three times, electric motors by 23.4 percent, paper by 51 percent, processed meat by 50 percent, cement by 13 percent, and electricity by 4.4 percent.

Production of local industries and handicrafts fell 3 percent and non-state industries fell 4.3 percent compared to the corresponding period last year. Some industries such as textiles, ready-made clothes, leather goods, canned food, fruits, vegetables and soybeans have operated sluggish'y or decreased their production.

The direct causes of limited industrial and handicraft production in the first half-year were that the market for some main and traditional exports had been unexpectedly narrowed and that the failure to implement many signed agreements on a timely basis had caused a rather large stockpile of light industry and handicraft goods. Many industrial production installations that are backward and short of capital continue to encounter difficulties due to increases in input costs while they must compete fiercely in markets.

The Council of Ministers is providing guidance for settling debts and resolving the problems of capital. Yet, the consequences and habits of the old mechanism are still quite heavy. Enterprises need more time to adapt themselves to the market mechanism. We also need time to change and bring into play policies on finance and currency.

On external economic relations, export and import value was lower than planned, and also in comparison with the same period last year, mainly because of the reduction in trade exchanges with the Soviet Union and Eastern Europe, which fell to only 15 percent of the level of the first six months of 1990. The export quota decreased by 28 percent and the import quota by 27 percent compared to the same period last year.

Faced with the substantial reduction of goods exchange with the Soviet Union and Easter Europe, we have strived to secure relations with other markets in order to limit the negative impact on domestic production. Even though timely countermeasures have been taken in improving the patterns of goods and the quality of products to suit the requirements of new markets, there are still many problems that cannot be solved within a short time.

Foreign investments were continually attracted. Early this year a forum on foreign investment in Vietnam was organized with the participation of nearly 600 international guests representing major companies from many countries and international organizations. This forum has brought about good results. In six months licenses have been granted to 60 projects with investments totalling U.S.§636 million, bringing the total number of licensed foreign investment projects to 274.

Investment orientations have begun to change anew: Investment in industrial development has accounted for 52.4 percent of the total investments. The average in the three years 1988-90 only accounted for 13.2 percent. At present there are still 48 projects including some major industrial projects of great significance such as oil refineries, metal ore extraction, hydroelectric building, cement production, and so on, which are being considered.

With respect to finance and currency, 93.7 percent of the annual national budget was achieved in the first half-year against 44.8 percent of expenses. Increases in domestic revenues were mainly due to increased production by some sectors, recalculation of profits made from some products on the basis of new prices, increased crude oil production volume, and mobilization of various stagnant sources of revenues.

To compensate for shortages of funds, we have experimentally started issuing treasury letters of credit in order to borrow from the people and have obtained good initial results. Although the results achieved show some progress, facts have indicated that the managerial control and guidance over budgetary revenues is still rife with major problems. In the first half-year, budgetary revenues from the state-owned economy accounted for the largest percentages, but shortfalls in tax collection and debts still amounted to 200 billion dong or more. Revenues from the non-state economy only accounted for 41.4 percent of the annual plan, but compared to the same period last year these

percentages are satisfactory. Owing to better coordination between the administration at all levels and the taxation sector, various measures have been taken to counter shortfalls in tax collection.

Sources of revenues from abroad have decreased unexpectedly. Previously, these sources covered 25-30 percent of the total amount of budgetary revenues. In 1991 they shrank to only 6 or 7 percent. In the first half-year, despite the payment mechanism being changed, there was not any considerable amount of revenues collected.

As for budgetary expenditures, major plans were fulfilled to cover expenses for economy, culture, education, social consumption, state management, national defense, security, and state reserves of supplies. At the same time, unexpected expenses were also met, such as relief aid to natural disaster areas and to some regions of tribal people that suffered many difficulties, allowances to cadres and civil servants of professional and administrative domains, and to soldiers of all Armed Forces.

It is necessary to say that budget alloted for capital construction was only 39.7 percent of the planned projects. This will directly affect the construction work, cause a shortage of loans for building units, and obstruct efforts to create more jobs for workers.

Generally speaking, the state has made great efforts to increase domestic revenues to partially compensate the shortfall of revenues from abroad. The laws and regulations on taxation are effective apparatuses to help ensure full collection of domestic revenues. However, due to the new nature of the laws, after a short period of implementation some inappropriate points have emerged. The Council of Ministers, within the framework of its authority, has promptly revised these laws and made proposals to the Council of State for amending some points of the law on turnover tax, special consumption tax, and income tax. A number of provisions in the export-import tax law has been revised to encourage export-import activities.

Worse still was that while experiencing some inappropriate points in the new laws, we have also experienced arbitrariness in implementing these laws. As a result, the enforcement of the new tax laws was not carried out in a uniform manner in localities, and low results were obtained.

Moreover, the current division of budget management and responsibility has caused some shortcomings and weaknesses, especially in the period of shifting to the market-oriented economic system. The banking sector has made consistent efforts to mobilize more loans, attract more savings, and ensure sufficient money for distribution, circulation, and export-import of goods and grains. The sector has launched a pilot program to provide more loans to peasant households and producers of small industrial and handicraft products in cities, while urgently striving to collect debts due in the first period.

Although these efforts have, to a certain extent, contributed to accelerating production and circulation of goods and helped to curb inflation, achievements in this regard were still low given the urgent requirements in the present situation.

The foreign exchange system is still fraught with loopholes, and the banking manpower for controlling reserve and trade activities is inadequate. As a result, control and prevention of speculation on gold, silver, and foreign currencies has not been carried out effectively.

Regarding markets and prices, after a period in late 1990 inflation reached its peak of 13.2 percent in January 1991. However, in the subsequent months the rate of increase slowed to 8.7 percent in February, 5 percent in March, 2.2 percent in April, 3 percent in May, and 1.7 percent in June. On the average, the monthly price increase was 4.7 percent during the first six months of this year. The price situation since March has been relatively stabilized and improved in many respects. However, prices are still high and inflation has not been completely curbed. In recent days, the prices of gold and the U.S. dollar have increased rapidly and have not been stabilized. Goods in diverse forms are still available in the markets, thereby meeting the consumption requirements of the people. The price of grain has been stabilized, thereby positively contributing to stabilizing prices of other kinds of goods.

Success in the recent drive to regulate grain in the markets throughout the country due to the shortfall in rice production in the north indicates the key role of the state-run trade in the social market. State-run trade establishments have made some progress in trading a number of essential goods for production and the people's daily life.

The Ministry of Commerce has rearranged the management mechanism, intially reorganized business units, strengthened control and management of markets, and strived to oppose smuggling. However, little progress has been achieved, business results are still low, and markets for goods at home and abroad are few.

Dao Dinh Luyen Attends Economic Meeting

BK0608152291 Hanoi Vietnam Television Network in Vietnamese 1300 GMT 28 Jul 91

[Text] Ministry of National Defense just held a meeting on the duty of economic building of the Army to review the production result in the last five years and plan direction for the next five years.

Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee and deputy defense minister presided over the meeting. Representatives of military regions, Army corps, armed branches, and armed services; managers of general companies and companies directly controlled by the Ministry of National Defense; and managers of factories of the national defense industry department also attended the meeting.

The meeting affirmed that the economic building duty of the Army is necessary to preserve and strengthen the national defense production capacity and maintain the fighting readiness ability of the Army units.

In 1990, economic units working under the cost accounting system of the Army made dozens of million dong in profit, contributing to Army funds to build shelters for heavy guns and to improve soldiers' living conditions.

In the strategic areas, the Army units protect the land and achieve fair result in economic production.

In planning direction for the next five years, the meeting confirmed that economic building duty has been on the right track. The meeting also suggested some matters relating to regulations, taxes, competition, national defense production ability, and so forth so the Army units can score more achievements in their economic duty.

Radio Reviews Progress of Anticorruption Drive

BK0608054991 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 24 Jul 91

[Article by station correspondent Tran Thien Nhien]

[Summary] The Council of Ministers issued Decision 240 on anticorruption nine months ago. At the seventh national party congress, the report of the sixth party Central Committee confirmed that the implementation of the socioeconomic duties must be linked with the struggle against corruption and smuggling. Therefore, the anticorruption struggle has become a political duty for our entire party and people to purify the state mechanism and make social relations healthier.

"According to an uncompleted report, 442 places have been chosen to be inspected and at the same time 2,340 inspection teams have been formed to investigate corruption in economic units and nonproductive organizations.

"Through these investigations, they found out that more than 900 billion dong, U.S.$1,260 million, more than 1,000 taels of gold, 31,000 tones of paddy, and 237 tones of rice have been lost. As a result of the investigations, 189 billion dong, more than U.S.$980,000, 79 taels of gold, and 7,500 tones of paddy have been recovered.

"The most prominent results are: The solvency of bad debts in credit organizations, tax, and economic units; and the administration's disciplinary actions against 16,500 people who were involved. With regard to the disciplinary actions, 340 people were dismissed from their posts, 560 people were demoted, and 53 people were suspended from their jobs. These people include three ministerial department heads and three deputy heads; three managers and three assistant managers of general companies; 16 company directors and deputy directors; 10 company managers and assistant managers; 169 managers and assistant managers of companies at district level; six members of provincial party committees; two secretaries of district party committees; seven chairmen and vice chairmen of district people's committees; and 70 members of district party committees."

From the beginning of 1990 until the end of the first quarter of 1991, charges were made concerning 5,500 corruption cases, involving 6,700 people. These cases caused a loss to the state of more than 300 billion dong, U.S. $1,910 million, 160 taels of gold, 91,700 tones of paddy, and thousands of tones of materials and equipment. With respect to these cases, more than 960 have already been tried and one death sentence and nine life imprisonment sentences have been imposed.

It is note-worthy that the anticorruption struggle has moved from in-depth investigation of different cases to planing procedures for positively discovering and dealing with corruption in sectors of major importance.

The state inspectors have started investigations with regard to the national reserve, banking, and finance sectors and have made some initial progress.

In the banking sector, after the initial investigation stage, they found out that credit regulations have not been strictly observed and that this may lead to a loss of 906 million dong in the sector.

In the National Reserve Department, improper practice has caused the loss of 36 million dong and the department has misappropriated nearly 2 billion dong.

Through this struggle against corruption, cadres in all sectors, levels, and localities have seen the shortcomings in the management system and these shortcomings have created conditions and an environment for corrupt activities.

Moreover, Decision 240 of the Council of Ministers has not been equally and positively implemented in different sectors and localities, as in some cases in Ho Chi Minh City, Cuu Long, Vinh Phu, Thuan Hai, and so forth.

Furthermore, the results of the anticorruption work in some important economic sectors that are directly controlled by some ministries have not been disseminated. The Ministry of Agriculture and Food Industry has not positively inspected major production sectors, such as the food, pepper, tea, rubber, alcohol, and cigarette sectors. The Ministry of Communications, Transportation, Post, and Telegraph also has not effectively coordinated the work of anticorruption and counter smuggling in the postal service and the sea transportation service. In other ministries, although the loss caused by corruption is not great, it still damages the people's confidence.

In general, the dealings with corruption are still slow and insufficient. The recovery of lost property is at a low level. Punishment is too lenient, causing public embarrassment.

Reality has proved that the struggle against corruption is a difficult and complicated one, requiring a strong determination, good leadership, practical methods, capable cadres, and excellent coordination between government offices and different organizations.

"After implementating Decision 240 of the Council of Ministers for nine months, the results have not been as good as expected, but initially the implementation has had the effect of limiting and preventing corruption, as well as reducing the neglect of state regulations and laws. This goes to show that we are totally able to minimize the damage caused by corruption if we have a strong determination and the right method."

Song Be Holds Meeting To Review Work

BK0608075591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 24 Jul 91

[Text] Song Be Province party committee has just held an extended meeting to review activities of the first six months and to plan measures to implement major duties in the last six months of 1991.

The meeting focussed on the major activities of the second half of the year, including the organization of second-round party congresses, the dissemination of seventh national party congress resolutions to primary party committees and party members, the solution of urgent matters in production and life, the continuation of the struggle against corruption and smuggling, and the intensification of security work and social safety.

Nguyen Trong Xuyen Visits Army Hospital

BK0608081391 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 28 Jul 91

[From Vietnam People's Army Program]

[Text] Last week, to mark the 44th Anniversary of the War Invalids and Fallen Combatants Day, on the morning of 26 July Lieutenant General Nguyen Trong Xuyen, member of the party Central Committee and deputy defense minister, and representatives from the General Political Department and General Logistics Department visited, and presented gifts to, the Army Hospital.

After visiting the wards, talking to patients, and checking on the treatment standards of the hospital, Gen. Nguyen Trong Xuyen held a meeting with hospital management, hospital department heads, and representatives of the sick and injured soldiers. The general hailed the hospital's achievements in overcoming difficulties to serve its patients. He reminded the cadres, doctors, pharmacists, and medical staff to develop valuable national medical treatment and skillfully combine Vietnamese traditional medicine with modern medicine to better serve the patients.

Australia

Threats Made to Bases To Fight U.S. Subsidies

BK0708073591 Melbourne Radio Australia in English 0500 GMT 7 Aug 91

[Excerpts] The United States says Australian criticism will not stop its policy of subsidizing sales of American wheat adding that Australia's claim of a wheat sales war are exaggerated. The assistant American trade representative for Asia and the Pacific, Sandy Kristoff, said that subsidized sales would continue even though Australia was caught in the cross fire. [passage omitted]

Meanwhile, the Australian federal opposition says the United States has made further subsidized wheat sales in the past 24 hours, this time to the Philippines and Algeria. The opposition's primary industries spokesman, Bruce Llyod, says it is now clear the Americans intend to improve their international market share regardless of who gets hurt.

And one major farming group in Australia has suggested linking the issue of subsidized sales with the future of American military bases. West Australian Farmers Federation President Peter Lee:

[Begin Lee recording] The most effective way we can get to the U.S. public is if our government would stand up to the American Government and say, your acts are indeed hostile acts. You cannot have defense treaties, we cannot have defense bases with countries that are as hostile as you are, and we would like to tear up all those agreements. That would certainly become news in the United States. Wheat subsidies are not news in the U.S., the American public is not aware of it; that is the method we have got to use to get the publicity on the front page of the U.S. journal. [end recording]

Papua New Guinea

Rebels Refute Claim of External Arms Supply

BK0608061091 Melbourne Radio Australia in English 0500 GMT 6 Aug 91

[Text] The Bougainville Revolutionary Army [BRA] has refuted claims by the Papua New Guinea Government that it is receiving arms from sources outside the country. In a statement from Arawa, Council of Chiefs spokesman Thomas Koronaru said that the BRA's firearms were guns captured from security forces who had been shot dead in confrontation on Bougainville. Mr. Koronaru also said that it was not true that BRA was selling cocoa in order to buy arms.

Earlier, Papua New Guinea's prime minister, Rabbie Namaliu, said recent BRA's actions, including the killing of noncombat security force members, made him doubt the rebels were genuinely committed to peace and reconciliation. He said he doubted that secessionist leaders would take part in negotiations with the government due to start in three weeks. Mr. Namaliu called on the BRA to stop using what he called diverting and delaying tactics and to get back to the negotiating table.

Protests Made to Australia Over Visas for Rebels

BK0708072491 Hong Kong AFP in English 0644 GMT 7 Aug 91

[Text] Port Moresby, Aug 7 (AFP)—Papua New Guinea (PNG) has protested strongly to Australia over the issuing of visas to Bougainville Revolutionary Army (BRA) leaders to travel to Switzerland last week, officials said.

A government statement questioned Australia's sincerity in supporting Port Moresby's efforts in dealing with the Bougainville secessionist crisis.

According to government officials, the Australian High Commission in the Solomon Islands issued visas to three men, Joseph Kabui, Mike Forster and James Rutana to attend the United Nations Working Group on Indigenous Populations in Geneva.

The statement said the visas were issued contrary to all understandings reached between the two governments.

"In particular, we are surprised Australia treated the issuing of visas to the well known BRA leaders and a supporter as a routine matter," the statement issued Tuesday said.

"The issuing of visas to the BRA delegation attending the U.N. Working Group makes the government of PNG doubt seriously whether all Australian agencies appreciate the Australian Government's position on Bougainville and the support given towards's PNG's efforts with the Bougainville crisis."

An Australian High Commission spokesman in Port Moresby confirmed the issuing of visas but said they were unaware that Kabui's delegation had travelled to Geneva.

He also confirmed receipt of the diplomatic protests.

Prime Minister Rabbie Namaliu this week expressed doubt that the next round of peace talks would take place as scheduled for the end of this month.

He said the BRA was deliberately stalling the peace process.

He said however that the government did not see the delegation's trip to Geneva achieving any results. "The aborigines (in Australia) have been attending the same conference for years but that does not mean Australia will give them independence," he said.

The Bougainville crisis spilled over into a two-year war that both sides hailed as over when the Honiara Declaration of Peace was signed earlier this year, although a lasting truce has yet to be established.

Vanuatu

Lini Replaced as President of Ruling Party

BK0708093291 Hong Kong AFP in English 0901 GMT 7 Aug 91

[Text] Port Vila, Aug 7 (AFP)—Vanuatu's Prime Minister Walter Lini was dumped by the ruling Vanua'aku Party as its president Wednesday and replaced by Secretary-general Donald Kalpokas, party officials announced.

The election means that Kalpokas, who was sacked as foreign minister by Lini in June, will succeed him also as prime minister if the party wins the November election.

However, officials said Kalpokas could become prime minister as early as the next parliamentary sitting, which could be within weeks.

Iolu Abbil, the former home affairs minister sacked along with Kalpokas, retained his position as party vice president in the unanimous vote by 82 delegates to a special congress meeting at Mele, near Port Vila.

Sela Molisa, sacked as finance minister in February, was elected to replace Kalpokas as secretary-general and Former Minister Edward Natapei was elected party treasurer.

The congress was organised by Kalpokas and his supporters in response to the recent wave of sackings by Lini and because of growing concern for his health.

Lini, prime minister since the former condominium of the New Hebrides gained its independence from Britain and France in 1980, suffered a heart attack for which he was treated in Sydney three months ago. He had suffered a stroke while visiting the United States in 1987 but carried on as prime minister despite his poor health and a number of challenges to his authority.

Lini, an Anglican priest, attended another meeting with his supporters at nearby Rantaboa.

He declined comment about the congress decision, but supporters indicated he may make a statement Thursday.

In a message broadcast earlier by national radio, Lini said that delegates to the congress had been "hijacked by rebel executive members."

Lini claimed "only the president of the party can open the congress" and he had not delegated his role to Vice President Abbil.

Lini's lawyer, Kalkot Mataskelekele, meanwhile said that he would appeal to the Supreme Court to review a ruling it handed down last weekend in favour of the prime minister's opponents.

The court met all day Saturday before rejecting Lini's plea to declare the congress illegal.

In a statement issued late Tuesday, Kalpokas said the party president did not have the power to stop the congress from meeting, "but only the quorum can determine whether the congress can meet."

The party coordinator, Rave Chilia, said in Mele on Wednesday that more than 80 of the 114 sub-committees which represent the party throughout the archipelago of Vanuatu had sent delegates.

The sub-committee in Mele itself issued a statement demanding that Lini publicly retract the words "rebel" and "hijack" in his statement on the radio Wednesday.

Kalpokas, a former close political ally of Lini, was a founder-member of the Vanua'aku Party.